

# TCRP

## SYNTHESIS 59

### **Strategic Planning and Management in Transit Agencies**

***A Synthesis of Transit Practice***

TRANSPORTATION RESEARCH BOARD  
OF THE NATIONAL ACADEMIES

**TRANSIT  
COOPERATIVE  
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## TCRP SYNTHESIS 59

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# Strategic Planning and Management in Transit Agencies

### *A Synthesis of Transit Practice*

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WASHINGTON, D.C.

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The nation's growth and the need to meet mobility, environmental, and energy objectives place demands on public transit systems. Current systems, some of which are old and in need of upgrading, must expand service area, increase service frequency, and improve efficiency to serve these demands. Research is necessary to solve operating problems, to adapt appropriate new technologies from other industries, and to introduce innovations into the transit industry. The Transit Cooperative Research Program (TCRP) serves as one of the principal means by which the transit industry can develop innovative near-term solutions to meet demands placed on it.

The need for TCRP was originally identified in *TRB Special Report 213—Research for Public Transit: New Directions*, published in 1987 and based on a study sponsored by the Federal Transit Administration (FTA). A report by the American Public Transportation Association (APTA), *Transportation 2000*, also recognized the need for local, problem-solving research. TCRP, modeled after the longstanding and successful National Cooperative Highway Research Program, undertakes research and other technical activities in response to the needs of transit service providers. The scope of TCRP includes a variety of transit research fields including planning, service configuration, equipment, facilities, operations, human resources, maintenance, policy, and administrative practices.

TCRP was established under FTA sponsorship in July 1992. Proposed by the U.S. Department of Transportation, TCRP was authorized as part of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). On May 13, 1992, a memorandum agreement outlining TCRP operating procedures was executed by the three cooperating organizations: FTA; the National Academy of Sciences, acting through the Transportation Research Board (TRB); and the Transit Development Corporation, Inc. (TDC), a nonprofit educational and research organization established by APTA. TDC is responsible for forming the independent governing board, designated as the TCRP Oversight and Project Selection (TOPS) Committee.

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The TCRP provides a forum where transit agencies can cooperatively address common operational problems. The TCRP results support and complement other ongoing transit research and training programs.

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## FOREWORD

*By Staff  
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Transit administrators, engineers, and researchers often face problems for which information already exists, either in documented form or as undocumented experience and practice. This information may be fragmented, scattered, and unevaluated. As a consequence, full knowledge of what has been learned about a problem may not be brought to bear on its solution. Costly research findings may go unused, valuable experience may be overlooked, and due consideration may not be given to recommended practices for solving or alleviating the problem.

There is information on nearly every subject of concern to the transit industry. Much of it derives from research or from the work of practitioners faced with problems in their day-to-day work. To provide a systematic means for assembling and evaluating such useful information and to make it available to the entire transit community, the Transit Cooperative Research Program Oversight and Project Selection (TOPS) Committee authorized the Transportation Research Board to undertake a continuing study. This study, TCRP Project J-7, "Synthesis of Information Related to Transit Problems," searches out and synthesizes useful knowledge from all available sources and prepares concise, documented reports on specific topics. Reports from this endeavor constitute a TCRP report series, *Synthesis of Transit Practice*.

This synthesis series reports on current knowledge and practice, in a compact format, without the detailed directions usually found in handbooks or design manuals. Each report in the series provides a compendium of the best knowledge available on those measures found to be the most successful in resolving specific problems.

## PREFACE

This synthesis provides information for transit and transportation professionals who seek to address planning and management issues in the transit industry. This document is intended for internal management decision makers—general managers and agency board members. It might offer external stakeholders such as local governments and businesses, as well as the public, increased awareness in helping define a transit agency's role and responsibilities to the community, thus aiding the development of outside support for an agency's mission.

This synthesis of the Transportation Research Board offers insight into current practices determined by a review of relevant literature combined with two agency surveys—one, to determine the prevalence of the practice, and the second, to examine the specific details of practice. The study reports that some form of strategic planning and management has been found to provide real value at a majority of responding agencies and it identifies a number of the benefits. This report also provides case studies from five transit agencies based on the comprehensiveness of process or presence of innovative or noteworthy practices.

A panel of experts in the subject area guided the work of organizing and evaluating the collected data and reviewed the final synthesis report. A consultant was engaged to collect and synthesize the information and to write the report. Both the consultant and members of the oversight panel are acknowledged on the title page. This synthesis is an immediately useful document that records the practices that were acceptable within the limitations of the knowledge available at the time of its preparation. As progress in research and practice continues, new knowledge will be added to that now at hand.



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# STRATEGIC PLANNING AND MANAGEMENT IN TRANSIT AGENCIES

**SUMMARY** The purpose of this synthesis project was to examine the practice of strategic planning and management in the transit industry. It was developed to answer a number of specific questions including: How is it being used and to what extent? What forms does it take? How effective has it been? What benefits has it produced? Are there any related research or training needs?

Strategic planning is a management tool widely used in the private, nonprofit, and public sectors. It is used to define an organization's vision, mission, core values, challenges, and opportunities; establish long- and short-range goals; guide business processes; and measure performance. It can assist an organization in creating its future rather than just reacting to it. It also can help to integrate the organization's various activities and programs, and to better align the organization with its stakeholders' objectives.

The project involved a review of relevant literature on the subject, both in general and as related to public transportation. In addition, two surveys were conducted of transit agencies. The first was a random survey of one agency from each state and the District of Columbia to determine the prevalence of the use of strategic planning and management. There were 38 responses to this survey. The second was a more detailed survey of selected agencies to examine specific practices. Twenty-four agencies responded to that survey. In addition, five agencies were selected as case studies based on the comprehensiveness of their process or innovative or noteworthy practices that they use.

The study concludes that strategic planning and management is alive and well in the transit industry, with some form of strategic planning and management being implemented by more than 80% of the transit agencies that were randomly sampled. This indicates that the practice is providing some real value. Moreover, its use has increased substantially since other studies examined the practice in 1986 and 1990. As would be expected, its use is more prevalent in large agencies than in small- or medium-size ones.

A number of benefits from its practice were identified. These include internal benefits such as helping to create a new organizational vision; helping the agency become more customer-oriented; creating better alignment between the board, management, and staff; and aiding in decision making and priority setting. Other internal benefits were derived from its use in establishing budget priorities, redirecting staffing levels, and creating more effective work-flows. It has also been used to restructure services to gain a more efficient use of resources or to expand existing services.

Strategic planning provides many external benefits as well. It has increased external stakeholder awareness and input (e.g., from local, state, and federal governments; the public; and local businesses) and has resulted in greater stakeholder support. Also, it has been used in conjunction with funding concerns and decisions and has helped in obtaining more funding. Finally, it has helped define an agency's core role and responsibilities to the community.

Many of the agencies have come to recognize that for strategic planning to be effective it must be linked to key organizational processes such as budgeting, capital programming, and

performance measurement. This is one of the important ways that “strategic planning” becomes “strategic management.” In addition, it needs to be tailored to the needs and capabilities of the organization, and it must have the support and involvement of top management. If it is to be relevant, it cannot be overly elaborate or formal—a perfect plan is of no use if it is out of date by the time it is produced. Finally, strategic management needs to be based on good data, and the plan needs to be updated on a regular basis.

There are a number of relatively common ingredients in a strategic management process, including:

- “Planning to plan”—deciding who should be involved in the planning process, what their roles should be, and the appropriate time frame for the process.
- Creating an organizational vision and a vision statement.
- Developing a mission statement, and goals and objectives.
- Identifying the organization’s core values.
- Clarifying organizational mandates (e.g., enabling legislation).
- Conducting a stakeholder analysis (i.e., who are the important stakeholders and what are their interests or needs?).
- Assessing the organization’s external and internal environments to identify strengths, weaknesses, opportunities, and threats (a “SWOT” analysis).
- Identifying the key strategic issues facing the organization and formulating strategies to manage these issues.
- Developing an effective process for implementing and managing the strategic initiatives.
- Evaluating progress and making necessary mid-course corrections.

The TCRP project investigating “emerging new paradigms” in public transportation has suggested that fundamental change will have to occur in the transit industry if it is to succeed in a world where such significant social, economic, political, and technological change is occurring (Project J-6, Task 21). Strategic management may be an important tool for effecting such change.

The report concludes with some ideas for additional studies and training.

## INTRODUCTION

### BACKGROUND

Strategic planning is a management tool widely applied in the private, nonprofit, and public sectors. It is used to define an organization's vision, mission, core values, challenges, and opportunities; establish long- and short-range goals; guide business processes; and measure performance. It helps an organization create its future rather than just react to it. In addition, it helps to integrate an organization's various activities and programs, and to better align the organization with its stakeholders.

However, strategic planning by itself is not enough. Too many strategic plans have been ineffective or did not bring about desired changes because they were poorly executed. For this reason, the concept of strategic planning is being replaced by the broader concept of "strategic management," a term that implies a continuing process of plan development, implementation, and evaluation. In addition, it suggests that strategic planning must be linked with other key business processes and not just be conducted as a separate planning exercise. For example, when strategic planning is linked with stakeholder interests, budgeting, service deployment, and performance measurement it can be a very powerful method for the effective strategic management of an organization.

The purpose of this project was to examine the practice of strategic planning and management in the transit industry. How is it being used and to what extent? What forms does it take? How effective has it been? What benefits has it produced? Are there any related research or training needs?

### TECHNICAL APPROACH

The project involved a review of the relevant literature on the subject, both in general and as related to public transportation. Surveys were conducted of two separate groups of transit agencies. The first was a short random survey of one transit agency in each state and the District of Columbia to determine how widespread is the use of strategic planning. Thirty-eight agencies responded. The second was a detailed survey of selected agencies that were considered likely to be engaged in strategic planning. The purpose of the second survey was to examine in detail specific strategic planning and management practices. Twenty-four agencies responded to this survey.

Five of the agencies from the second survey were selected as case studies based on

- The size of the agency (so that small, medium, and large agencies would all be represented),
- The comprehensiveness of the agency's process, and/or
- Innovative or noteworthy practices that the agencies used.

Strategic planning documents produced by these agencies were reviewed in detail, and follow-up telephone interviews or e-mail correspondence were used to obtain more in-depth information.

### ORGANIZATION OF THE REPORT

This synthesis is organized into five chapters.

Chapter one describes the background and approach.

Chapter two reviews relevant literature on the subject of strategic planning and management. It looks at the general practice, but focuses particularly on literature that pertains to the public sector and to public transportation.

Chapter three discusses the two surveys that were conducted as part of the study—a random survey to determine the prevalence of strategic planning in transit agencies and a more detailed survey of selected agencies designed to provide specific information on the nature of strategic planning as it is practiced. The methodology used in the surveys is described.

Chapter four describes the five case studies: Ann Arbor Transportation Authority (AATA), Dallas Area Rapid Transit (DART), Los Angeles County Metropolitan Transportation Authority (LACMTA), MTA New York City Transit (NYC Transit), and Transit Authority of River City (TARC) (Louisville, Kentucky).

Chapter five discusses the conclusions reached in the study. In addition, suggestions are made with regard to additional study and training needed.

A list of the responding agencies and the questionnaires used in the two surveys are included as Appendices A through D. In addition, a TRB web address is provided in Appendix E, which will link to the cover page, table of contents, and/or introductory section or summary of the strategic plans of 11 transit agencies. This material will not be part of the published report.

## LITERATURE REVIEW

### OVERVIEW

The literature review revealed that strategic planning is a popular and widespread practice in both the private and public sectors. It is a leadership and management tool that has been successfully used for decades to help organizations better prepare for the future and improve long-term performance. There is increased recognition that strategic planning is not enough by itself and that too many good strategic plans have been left to gather dust. Effective leadership is required to both develop and implement strategic plans. This has led to the concept of “strategic management,” which includes the implementation and ongoing management of strategic plans, not just their development.

Another trend has been to make the strategic planning process briefer and more flexible. Part of the problem in the past has been that formal and elaborate planning processes have often led to the development of comprehensive and thorough plans that are out of date by the time they are produced. Today’s more turbulent and uncertain times require that less emphasis be given to the form of the plan and more to the substance and timeliness of the results.

Henry Mintzberg has suggested that strategic planning is quite different than “strategic thinking,” the creative synthesis of visionary new business strategies. He goes further by suggesting that strategic planning, essentially analytical in nature, may even be antithetical to strategic thinking. He believes that strategic planning is more appropriately thought of as “strategic programming.” As such, it may be quite suitable for relatively stable public transportation systems.

Although it began in the military, the early nonmilitary use of strategic planning was primarily in the private sector. However, its use in the public and nonprofit sectors has increased substantially and there are now several good sources of information on performing strategic planning in these sectors. Several reports and articles that pertain specifically to public-sector transportation are also reviewed.

Effective strategic planning and management requires not only deciding what an organization should do, but also its having the knowledge and skills required to do it. With this in mind, the tools of organization development are discussed as a factor that could increase an organization’s capability to develop and implement strategic plans. This includes developing and retaining a workforce with the requisite knowledge and skills.

Finally, a recent TCRP study about “emerging new paradigms” in transit has suggested that fundamental changes will be required if transit is to succeed in a world of increasing social, economic, political, and technological change. If so, it could well be that strategic planning and management will be a crucial tool toward this end.

### INTRODUCTION

As would be expected, there is a significant amount of literature on the subject of strategic planning in general, particularly in the private sector. There is also a fair amount written on strategic planning in the public and nonprofit sectors. However, much less has been written specifically about strategic planning in public transportation.

This literature review will be selective rather than exhaustive. It will cover strategic planning in the private sector; however, it will primarily focus on strategic planning in the public sector and in public transportation.

### HISTORY

Strategic planning has a long history in organizations. Its origins are often thought to have been in the military, where there was a need to develop comprehensive, long-term strategies to win a war as opposed to the shorter-term, more limited tactical planning needed to win battles or skirmishes. An early form of strategic planning, the SWOT analysis (strengths, weaknesses, opportunities, and threats), came out of the Harvard Business School in the 1950s as part of their efforts in regard to business policy development and the analysis of business strategies in relation to an organization’s internal and external environments.

The practice of strategic planning achieved considerable popularity in private-sector organizations in the 1960s and 1970s. In the 1980s, it became more and more prevalent in the public and nonprofit sectors. Unlike other management fads that have quickly disappeared, strategic planning is a management technique or practice that has demonstrated staying power and broad usage across a variety of organizations in both the private and public sectors.

### STRATEGIC PLANNING IN GENERAL

Early on, strategic planning was a relatively formal, elaborate, and often lengthy process. In addition, because times

were more stable, a strategic plan was intended to last for several years. More recently, largely in response to these more rapidly changing and turbulent times, there has been a clear trend in the private sector to

- Shorten the strategic planning cycle so that the plan is not out of date by the time it is finished. (However, it should also be noted that there has been a countervailing trend to open up the process and involve as many participants as feasible, rather than having it be a “top-down” plan developed largely by top management and imposed on the organization. The effect of this has been to lengthen the process.)
- Make the planning process less formal and more flexible.
- Make the process relatively continuous rather than something undertaken only every 2 to 5 years.
- Link it to other important business processes such as budgeting and performance measurement.

An example of this is found in *Strategic Readiness: The Making of the Learning Organization (I)* in which the authors suggest a shift from strategic planning to strategic learning through a regular process of

- Continuous planning—wherein the organization focuses on questioning and quickly adjusting existing plans;
- Improvised implementation—that is, both experimental and evolving, and that provides good information for learning; and
- Deep reflection about original assumptions—what has changed and what has been learned.

The authors maintain that “most organizational change results not from formal plans and fixed programs for change but from a process of learning—and not just from the learning of individuals but, more importantly, from the collective learning of entire organizations” (I, p. xi).

The 1994 publication of *The Rise and Fall of Strategic Planning* by Mintzberg (2) presented a very comprehensive, complex, and contrarian view of the practice of strategic planning. His central argument is that strategic planning by its very nature is the antithesis of “strategic thinking.” He views strategic thinking as a creative act of synthesis, and strategic planning as a process that is essentially one of analysis. (An analogy might be right brain versus left brain thinking, in which the right brain is considered to be more creative and holistic and the left brain is considered to be more linear and logical.) Mintzberg believes that “strategic planning often spoils strategic thinking, causing managers to confuse real vision with the manipulation of numbers” (3, p. 107).

Mintzberg goes on to argue that “Strategic planning, as it has been practiced, has really been strategic programming, the articulation and elaboration of strategies, or visions, that already exist” (3, p. 107). He asserts that strategic planning

does not fail because of such commonly mentioned pitfalls as a lack of commitment from top management or resistance to change, but instead because of its fundamental nature of being too analytical, too formalized, and too detached from the functions and interests of the business’s line managers.

In spite of his belief that strategic planning is not effective at creating business strategies (strategic thinking), he believes that it can play important roles including:

- Strategic planning as strategic programming—Instead of trying to use strategic planning to generate strategies or visions, use it to program them. This can be done through a process of “codification” (expressing the strategies in ways that are clear and operational), by “elaboration” (breaking strategies down into substrategies and action plans), and “conversion” (identifying the impacts of the strategies on operations; e.g., on budgets and performance controls).
- Strategic plans as tools to communicate and control—Plans can be an important way of communicating the organization’s intentions both internally (helping to ensure that everyone in the organization is pulling in the same direction) and externally.
- Strategic planners as analysts—Planners can use their analytical skills and orientation by performing special studies and by offering new perspectives.
- Strategic planners as catalysts—In this role, planners do not try to enter the “black box” of strategy making, but instead encourage and assist line managers to think in creative ways about the future (3, pp. 112–114).

In Mintzberg’s words, “Planners shouldn’t create strategies, but they can supply data, help managers think strategically, and program the vision” (3, p. 107).

Although insightful, Mintzberg’s distinction between strategic thinking and strategic planning may be more relevant to the private sector, where the environment tends to be more volatile and where businesses must constantly be on the lookout for new business strategies and opportunities. Generally, in the public sector, and in public transportation more specifically, the situation is usually more constrained. For example, the purpose and geographic jurisdiction of public transportation agencies is usually prescribed by state legislation. For the most part, public transportation agencies are not going to be pursuing business opportunities outside of the area of public transportation. In addition, their financial structure is often defined or controlled in large part by their enabling legislation or funding bodies.

It might therefore be argued that strategic planning, when thought of as strategic programming as described by Mintzberg, may be the primary role it should play in public transportation. Mintzberg implies this when he states that “Only when an organization is sure of the relative stability of



its environment and is in need of the tight coordination of a myriad of intricate operations (as is typically the case of airlines with their needs for complicated scheduling), does such strategic programming make sense” (3, p. 112). The more creative strategic thinking described by Mintzberg might be used only infrequently, when there is a need for more transformative organizational or institutional change.

Another valuable perspective on strategic planning, that appeared in the mid-1990s, was the concept of the “balanced scorecard,” as developed by Kaplan and Norton in response to their belief that strategic planning and management as practiced in the private sector gave too much weight to financial matters (4). To remedy this, they developed the balanced scorecard idea, an approach that provides a framework for helping an organization achieve its long-term strategic goals by viewing the organization from four key perspectives: (1) the customer, (2) internal business processes, (3) learning and growth, and (4) financial performance.

The balanced scorecard system involves the development, utilization, and analysis of performance metrics that are developed for each of these perspectives.

## STRATEGIC PLANNING IN THE PUBLIC SECTOR

One of the “bibles” of strategic planning in the public (and nonprofit) sector has been John Bryson’s *Strategic Planning for Public and Nonprofit Organizations: A Guide to Strengthening and Sustaining Organizational Achievement* (5). This book was first published in 1988, and then substantially revised in 1995.

Bryson defines strategic planning as “a disciplined effort to produce fundamental decisions and actions that shape and guide what an organization is, what it does, and why it does it” (5, pp. 4–5). He offers a generic strategic planning model that has been successfully used by many public and nonprofit agencies. This model consists of 10 steps that he refers to as the Strategy Change Cycle (5, p. 23):

1. Initiate and agree on a strategic planning process (including who should be involved, and their roles and responsibilities).
2. Identify organizational mandates (e.g., enabling legislation).
3. Clarify organizational mission and values (this step should include an analysis of key “stakeholders”).
4. Assess the organization’s external and internal environments to identify strengths, weaknesses, opportunities, and threats (SWOT analysis).
5. Identify the strategic issues facing the organization.
6. Formulate strategies to manage these issues.
7. Review and adopt the strategic plan or plans.
8. Establish an effective organizational vision.
9. Develop an effective implementation process.
10. Reassess strategies and the strategic planning process.

Note that Steps 1–8 focus primarily on the planning process, whereas Steps 9 and 10 shift the emphasis from strategic planning to strategic management.

There are some lessons to be learned in the revisions the author made to the book in 1995. For example, Steps 7, 9, and 10 were added, reflecting the need to not just produce a plan but to effectively implement it, and also to reassess the planning process as a prelude to another round of planning. The emphasis is on strategic management, not just strategic planning. In addition, the author places more emphasis on the recognition that strategic planning is different than strategic thought and action (a point strongly made by Mintzberg and noted previously). In summary, the 1995 edition makes a more explicit linkage between leadership, strategic planning, and management.

Bryson is clearly a strong believer in the benefits of strategic planning, including the promotion of strategic thought and action, improved decision making, and enhanced organizational responsiveness and performance (5, p. 7).

However, he also recognizes that strategic planning has limitations and should not be considered a panacea for all organizational problems or situations. For example, strategic planning is most likely not an appropriate response to extreme adverse circumstances; if the organization does not have the necessary people, skills, or management commitment to produce a good plan; or if the likelihood of plan implementation is low.

Bryson believes that strategic planning is here to stay because it effectively deals with substantive issues and concerns as well as the reality of political decision making.

In 1993, the U.S. Congress passed the Government Performance and Results Act (GPRA). This act requires that federal agencies take a number of steps to operate in a more businesslike manner and that they become more accountable to taxpayers. These steps require agencies to

- Define their missions and desired outcomes, use strategic planning, involve their stakeholders, assess their environments, and align their activities, core processes, and resources in support of mission-related outcomes;
- Measure their performance to ensure that goals are being met; and
- Use the performance data to improve organizational processes, identify performance gaps, and set improvement goals.

Under the GPRA, agencies were instructed to develop multiyear strategic plans, annual performance plans, and annual performance reports. As a result, in 1996, the FTA published its first strategic plan, covering the period from 1997 to 2001.

An executive guide for implementing the GPRA, published by the Government Accounting Office, pointed out that



the success of the GPRA “depends on strong leadership practices that devolve decision-making authority with accountability, create incentives, build expertise, and integrate management reforms” (6).

### STRATEGIC PLANNING IN PUBLIC-SECTOR TRANSPORTATION

In the mid-1980s, the University Research and Training Program of the Urban Mass Transportation Administration (UMTA) (currently the FTA) funded a project that examined strategic planning in small- and medium-size transit agencies (7). The study report included a discussion of strategic planning and its benefits, a survey of 104 transit agencies, and a case study of a small transit system in Missouri (South-east Missouri Transportation Services, Inc.).

The author observed that the crux of strategic planning is to create a process that answers three basic questions (7, p. 5):

1. Where are we?
2. Where do we want to go?
3. How can we get there?

In the survey of transit properties, the following percentages of respondents answered that they conduct a formal strategic planning process:

- |  |     |
|--|-----|
| • Small systems (fewer than 50 vehicles) | 42% |
| • Medium systems (50–99 vehicles)        | 68% |
| • Big systems (100–500 vehicles)         | 62% |
| • Large systems (more than 500 vehicles) | 93% |

The average for the four sizes was 59%.

However, when responses were analyzed more closely, it was noted that more than half (57%) were actually referring to long-range service and capital plans as required by the federal UMTA, short-range service plans, or to the annual budgeting process. In short, there appeared to be a great deal of confusion as to what actually constitutes strategic planning.

The study identified the following managerial tools used by transit agencies that might become part of a strategic planning process:

- Strategic-type special studies (e.g., performance audits),
- Performance indicators,
- Management by objectives, and
- Strategy retreats.

It found that there were a number of obstacles to conducting strategic planning in agencies, and that these obstacles differed according to the size of the agency. For example, inadequate staff resources was regarded as a significant obstacle by small agencies, but much less so by large ones.

Conversely, a lack of good information was regarded as a serious problem by large agencies, but not so serious by small agencies. Large agencies cited the “fish-bowl” environment of public agencies as a problem and also changing state policies. Other obstacles cited by respondents included:

- Operating pressures,
- A short-term orientation inside and outside the agency (“fire-fighting”),
- The annual budget process, and
- An inability to enter new markets or alter the agency’s external environment.

The study also found that small agencies in particular have difficulty in regard to strategic planning. In general, these difficulties had to do with inadequate resources, including staff, expertise, data, and the money needed to hire outside expertise. Three key conclusions emerged from the study:

1. The need to reinterpret the concept of strategic planning.
2. The importance of organizational readiness.
3. The need to mold strategic planning to the specific context of the organization.

In regard to the need to reinterpret the concept of strategic planning, the study noted that conducting a comprehensive and formal strategic planning process (the “classical” strategic planning model) may be beyond the capability of most transit agencies. Moreover, it may be more than is necessary. Five strategies are suggested in regard to this issue:

1. The formality of the process needs to be de-emphasized.
2. The level of data and analysis should be kept in reasonable relationship to the capabilities of the agency.
3. The cost of the process should be kept in some reasonable relationship with the likely benefits.
4. There needs to be a better understanding that long-range planning is not the same as strategic planning. Long-range planning may be necessary and useful; however, it does not fulfill the same purposes.
5. Strategic planning might best be performed by segmenting it. Rather than implementing a single, rigid process, it might be more effective if it is kept more flexible and if it uses various tools for specific purposes (e.g., special strategic studies).

The second conclusion was the importance of organizational readiness; some organizations may just not be ready to undertake strategic planning. Key factors in whether an organization is ready include organizational sophistication and stamina, the flexibility and commitment of management, and the skills and expertise of the participants.

Finally, in regard to adapting strategic planning to the organizational context, management is encouraged to be realistic about the capabilities of the agency, set priorities and clearly define objectives for the process, design a process that reflects

these considerations, and build on what already exists in the agency.

In 1985, an article was published about a case study of the development of a strategic management process in the Pennsylvania Department of Transportation (8). This study made clear the importance of not just developing a strategic plan but of also creating a management process to implement and manage the plan. There were several factors that distinguished this effort from typical strategic planning processes at the time. For example, several key structural changes were made. A strategic management committee made up of the agency's six top managers was formed to direct and manage the change process. Seven substantive subcommittees were also formed to help manage the effort. Organization-wide planning was centralized and program and project planning were decentralized. A concept of "business groups" was used to create a new way of thinking about the primary products and services provided by the agency (as opposed to the more traditional way of thinking about the functions performed). Four-year plans were developed for each of the agency's operating districts. Finally, the strategic planning process was tightly linked to the budget process to ensure that the agency's resources were being aligned with the plans. All of these actions served to institutionalize the strategic planning process throughout the agency.

In 1988, the same year that Bryson published his book on strategic planning in the public sector, the UMTA published *A Guide to Strategic Planning for Transit Properties* (9). Considered by some in the transit industry to be a classic text, this report provided an early guide or framework for strategic planning in transit.

The authors define strategic planning as "the analysis of environmental change, the formulation of organizational objectives, and the establishment of priorities for resource allocation" (9, p. 1). The report goes on to describe why it is important to do strategic planning, and presents several case studies as examples of how to do it effectively. (The case studies were Alameda-Contra Costa Transit, NJ Transit, Port Authority of Allegheny County Transit, Seattle Metro, and the Utah Transit Authority.) In addition, the report discusses the following key differences between planning in the public and private sectors (9, pp. 3–4):

- The private sector is primarily driven by the financial bottom line, whereas public agencies generally have multiple and often ambiguous goals and a variety of key stakeholders.
- Public agencies are more often subject to public scrutiny and political pressures.
- Mandates in the public sector are often legislated and are not up to management prerogative.

Key conclusions of the study were:

- Upper management must be seriously committed to and participate in the strategic planning process.
- The development of a mission, goals, and objectives should be based on a careful analysis of the environment (both internal and external) and should emphasize a marketing perspective. Objectives should be stated in ways that are measurable.
- There should be linkages between strategic planning, program planning, and budgeting, and between achievement of strategic planning objectives and personnel appraisals and compensation.
- Indicators should be developed that measure the efficiency and effectiveness of transit services.
- Good communication is a crucial ingredient of an effective strategic planning and implementation process.
- "Strategy champions" with appropriate responsibilities and incentives are needed for successful implementation.
- Environmental change should be regularly monitored.
- The process should be flexible, iterative, and continuous.
- Based on the case studies, there are clearly different ways that strategic planning can be conducted in terms of levels of detail and formality, how the process is organized, who participates, and the degree of analysis and documentation.

The report ends with a recommended strategic planning framework that includes the following seven steps:

1. Organize management team and planning staff.
2. Undertake an environmental or situation audit.
3. Establish mission, goals, and objectives.
4. Develop broad strategies.
5. Establish programs and budgets.
6. Monitor program results—measure.
7. Monitor the environment.

In 1990, the NCHRP published *Strategic Planning and Management Guidelines for Transportation Agencies* (10). This study looked at the current environment for strategic planning and management in a variety of publicly funded transportation agencies, provided a definition of strategic management and its components, and recommended guidelines for successfully institutionalizing strategic management.

The report distinguished strategic management from other traditional management practices by noting that the traditional practices ask "How do we keep doing what we are doing, only do it better?" Strategic management focuses instead on an overall vision of where the organization should be heading, i.e., what it plans to accomplish and how it can get it accomplished. It provides for the involvement of the entire organization in managing its people, processes, and products toward successful accomplishment of its goals and objectives" (10, p. 1).

The report went on to delineate the following minimum components of a strategic management process (10, p. 2):

- Mission statement (including goals and objectives),
- Environmental scan,
- Strategy development,
- Action plan development,
- Resource allocation, and
- Performance measurement.

An environmental scan generally involves an analysis or assessment of both the external and internal issues that are likely to affect an organization. It is sometimes referred to as a “situation audit.”

It concluded that in the various transportation agencies studied, a “strategic management process and its benefits are present and understood in less than a dozen state departments of transportation” and that “many of the remainder—plus many transit, airport, port authorities, and other publicly funded transportation agencies—seem to have insufficient interest in, or understanding of, strategic management” (10, p. 1).

The report included a set of guidelines for instituting strategic management comprised of four primary stages:

#### **Stage I. Identifying the Need for Strategic Management**

- Determine the current status of strategic management in the agency.

#### **Stage II. Establishment or Enhancement of Key Strategic Management Elements**

- Define the agency’s business.
- Develop plans for implementing strategic management initiatives.

#### **Stage III. Integration of the Key Elements into a Functioning System**

- Ensure that the agency mission statement and goal structure are in place.
- Obtain chief administrative officer and senior management commitment to the strategic management process.
- Establish a clearly understood division of responsibility for strategic management implementation, including the selection of implementation managers or facilitators.
- Develop an accurate information base and maintain its timeliness.

#### **Stage IV. Ongoing Use and Refinement of the Strategic Management System**

- Monitor the strategic management system.
- Develop a reward and recognition program.

In a 2003 article, “How to Develop a Strategic Plan That Won’t Gather Dust” (11), Richard Simonetta (CEO of Val-

ley Metro Rail, Inc., in Phoenix, Arizona) recognized that there is often a significant gap or breakdown between completing a strategic plan and implementing its recommendations. Too often the focus is on the production of a plan document and not enough emphasis is placed on its execution. He outlined several principles to ensure that the strategic planning effort is successful (11, p. 80):

- The process needs to be ongoing, with broad input for development and specific responsibility for effective implementation.
- The plan needs to have milestones and performance metrics to measure progress and celebrate achievements.
- The plan needs to involve stakeholders in the development, deployment, and refinement stages.
- Finally, a strategic plan must be a living document that evolves over time as the public transit system becomes more successful at achieving its short- and long-range goals.

A similar case, that is, that strategic plans often fail to achieve full-scale implementation and significant service improvements, is made in “Segmented Strategic Planning: An Incremental Approach to Transit Planning and Implementation” (12). The authors propose a segmented approach—rather than attempting a comprehensive organization-wide strategic planning effort, they recommend a “series of orchestrated, low-level strategic plans” (12, p. 1). The report describes such an approach in Knoxville, Tennessee, where only the downtown and university campus trolley service was the focus of a recent strategic planning effort. This segmentation made it much more manageable and helped to avoid many of the obstacles that often arise from a larger-scale planning effort.

In December 2001, recognizing the potential of strategic planning to improve the effectiveness of transit systems, APTA produced a Strategic Planning Resource Kit (available on CD) (13). Basically, the kit contains copies of the strategic plans of 28 transit systems.

### **STRATEGIC PLANNING AND PERFORMANCE MEASUREMENT**

Almost all of the literature on strategic planning and management emphasizes the need for linking the process to performance measurement. This is necessary to be able to monitor whether plans are being achieved and whether corrective action needs to be taken.

There is a great deal of literature on the general subject of performance measurement. An excellent and very comprehensive study of the issue that pertains directly to transit is the 2003 *TCRP Report 88: A Guidebook for Developing a Transit Performance-Measurement System* (14). This report provides detailed guidance for developing a system using traditional and nontraditional measures that address both customer and community issues.

## STRATEGIC PLANNING AND ORGANIZATION DEVELOPMENT

One of the strengths of strategic management is that it recognizes that strategic planning by itself often does little to change an organization's direction, because it does not deal with the significant structural, political, and behavioral forces that tend to resist change. This point is made in two articles that argue for the blending or "marriage" of strategic planning and management and "Organization Development" (15, 16).

Organization development (OD) seeks to develop and implement planned change strategies aimed at improving an organization's effectiveness. It uses many tools or techniques to ensure that an organization has the internal capability to effectively achieve its goals and objectives. These include such activities as goal setting, leadership development, team building, employee feedback surveys, education and training, organizational design, process consultation, coaching and counseling, and development of appropriate reward and recognition programs.

In "For Successful Strategic Change: Blend OD Practices with Strategic Management" (15, p. 43), Buller suggests that OD tools can be helpful in the following phases of a typical strategic planning process:

- Assessing and developing the organization's readiness for change,
- Facilitating the strategic planning process,
- Helping with strategy implementation, and
- Developing leadership skills.

A similar point is made by Eadie and Steinbacher in "Strategic Agenda Management: A Marriage of Organizational Development and Strategic Planning"; that is, that traditional strategic planning too often results in "unimplementable strategies" (16, p. 424). In this article, the authors describe a case study of a large and complex public-sector organization in Ohio. They argue that strategic management can be one of the tools in the larger strategy of OD. More specifically they describe a concept of "strategic agenda management."

Strategic agenda management basically involves the "collective management of a strategic agenda, which changes as an organization's problems and opportunities change." The authors state that "effective strategic agenda management requires intensive, continuous, and collective involvement of senior management," and that a strategic agenda must be highly selective if it is not to overtax the organization's ability to manage strategic issues (16, p. 425).

The important point is that strategic planning and management must pay close attention to not only the development of strategic initiatives but also to the organization's capability to implement the initiatives. OD tools can be an important resource for developing or enhancing this capability.

## NEW PARADIGMS IN PUBLIC TRANSPORTATION

In the late 1990s, a group of transit industry leaders gathered under the aegis of the TCRP. The reason for this gathering was a shared concern that unless fundamental changes were made, the future of the transit industry was in jeopardy, owing to the significant changes taking place in the world and the inability of the transit industry to adapt to them (e.g., fundamental social and economic changes in this country, an emerging global economy, and the increasing significance of rapid advances in information technology).

In 1997, a "future search conference" was organized by TCRP and the Eno Foundation to explore this issue. The conference included approximately 80 individuals representing transit managers, riders, drivers, labor leaders, political leaders, community residents and other important public transportation stakeholders. The effort led to a TCRP project that in 2003 culminated in a report that described emerging "new paradigms" that might affect the industry and that outlined a number of suggested responses (17). Many of the responses are such that strategic planning and management would be a key tool for developing and implementing them.

The report points out that the transit industry has not changed its basic business model for more than 40 years. It also notes that although in recent years transit ridership has reached post-World War II highs, its market share of trips remains quite small. Moreover, increasing levels of automobile traffic are far outpacing the capacity of the street and highway system, thus leading to severe congestion and gridlock in many areas.

The project studied transportation in three key arenas elsewhere in transportation industries in search of lessons, or new models, for transit.

1. The "logistics revolution" in intermodal freight.
2. The rise of airline "alliances."
3. New models for organizing and managing transit in Europe.

In the freight arena, companies are finding ways to integrate their operations to better serve the door-to-door needs of their customers, encourage customer loyalty, and increase efficiency. This involves use of a logistics manager, who coordinates the movement of items from start to finish, and the use of powerful information technologies that allow unified dispatching and tracking. Airlines have followed a very similar strategy, forming alliances with other carriers so that passengers can book trips through a single airline and so that the quality of service can be better tracked. Information technology again plays a key role.

Much the same is occurring in European transit. For example, even though there are a variety of operators that provide service in metropolitan London, London Transport has been empowered to set broad policy on fares, service coverage, and

service quality. It tracks efficiency and quality from the customer's viewpoint. More recently, organizational changes are being made that give multimodal responsibility (buses, taxis, rail systems, ferries, and traffic control) to a new agency—Transport for London.

The report goes on to identify four key elements of “the emerging paradigm”:

1. Emphasis on monitoring service quality and customer satisfaction across the entire network is replacing the previous emphasis on the operation of a particular agency's vehicles and facilities.
2. New collaborative relationships or alliances are replacing independent agency operations and head-to-head competition.
3. Traditional assets such as vehicles, passenger terminals, and maintenance facilities are being jointly managed.
4. State-of-the-art information technology is being used to better manage operations, evaluate service quality, and provide customer information.

A key theme of the emerging paradigm is that of “mobility management,” the function of meeting the door-to-door travel needs of the customer no matter whose transportation

assets are being used. This concept should be a central focus of the strategic planning efforts of transportation agencies.

One of the new paradigm project reports includes as an appendix a guide that organizations can use for managing the change process (18). This includes strategies for

- Recognizing the need for change,
- Leading and planning change,
- Making change happen, and
- Institutionalizing new approaches.

Most of the strategies described would be excellent components of an effective strategic planning and management process.

The final report points out that transit agencies cannot do this alone, and that public policy decisions and public investment must be coordinated in other key areas such as land use strategies, other public infrastructure investments (water, sewers, parking facilities, etc.), environmental measures (clean air and energy conservation), and other public policies such as tax incentives and economic development strategies. Because transit agencies have little or no control over these areas, they must work indirectly to encourage such coordination.



## SURVEYS—METHODOLOGY AND RESULTS

### OVERVIEW

Two surveys (one random and one of selected agencies) were conducted to determine the extent of the use of strategic planning in the transit industry and the nature of its use. A number of important benefits or effects of strategic planning were cited by survey respondents, such as the creation of a new vision for the agency; giving the entire agency a sense of direction; the development of a shared understanding of goals and objectives among staff, management, and the agency board; development of a stronger customer orientation; greater board ownership of overall agency initiatives; and greater support from external stakeholders. Also mentioned was its usefulness in obtaining additional public funding.

Common strategic plan components are a vision and mission statement, an internal and external environmental scan, an identification of strategic issues and/or initiatives, action plans, and performance measures. Several common themes were mentioned as keys to success in strategic planning:

- Broad participation and involvement by management, staff, and other key stakeholders.
- Making the process collaborative and cross-functional; getting broad buy-in.
- Good communication about the plan so that everyone understands their role in its success.

A pivotal issue explored in the survey was how effective the agencies are in implementing their plans. A key strategy for successful implementation is to link the strategic plans to other important organizational processes such as budgeting, capital programming, and performance measurement. Another key strategy is to incorporate a regular progress reporting system.

### METHODOLOGY

The two surveys conducted as part of this project were (1) a random survey of 50 transit agencies and (2) a separate more detailed survey of 44 specific agencies recommended primarily by the synthesis project panel members. In addition, the agency of each of the panel members affiliated with a transit system was included. The agencies that responded to each survey are listed in Appendices A (random survey) and B (selective survey).

The random survey was done primarily by means of a short (5 minute) telephone interview. (A few surveys were

obtained by e-mail.) The agencies were picked at random from APTA's directory, with one agency randomly selected from each state. The purpose of this survey was simply to determine what percentage of transit systems perform some kind of strategic planning, with the primary question being whether or not the agency performs strategic planning. A few supplemental questions were asked to confirm that they were really talking about strategic planning and not some other kind of planning, and to get a brief sense of the benefits derived and the lessons they learned.

The interviews were generally with the head of the agency or a designated individual, such as the person in charge of strategic planning. Responses were obtained from transit agencies in 38 of the 50 states (76%). Table 1 summarizes these responses according to agency size.

For purposes of this project, the transit systems were categorized by size as follows:

- Small—fewer than 100 vehicles.
- Medium—100–500 vehicles.
- Large—More than 500 vehicles.

A copy of the questionnaire used in this survey is included as Appendix C.

The second, more detailed, survey was sent to 44 transit agencies selected primarily on the recommendations of the synthesis panel members (a handful of these agencies were also part of the random survey). In part, these agencies were selected because they were likely to conduct strategic planning. To improve the return rate, follow-up phone calls were made or reminder e-mails were sent to all recipients who did not return the surveys by the requested date. A copy of the survey questionnaire is included as Appendix D. Twenty four of the agencies (55%) responded. Table 2 summarizes the responses by size or type of agency.

### RESULTS—RANDOM SURVEY

#### Use of Strategic Planning

The respondents to the initial random survey were asked if they perform strategic planning (not including the federally required Transportation Development Programs/Long-Range Transportation Plans). Thirty-one (82%) reported that they do perform strategic planning and 7 (18%) that they do not.

TABLE 1  
SUMMARY OF RESPONSES (by agency size)

Agency Size	Responses	% of Total Responses
Small	23	61
Medium	10	26
Large	5	13
Total	38	100

Of the seven that do not perform strategic planning, four had performed it previously, and six planned to do so. Table 3 summarizes the responses by the size of the system.

### Frequency

The 31 respondents who do perform strategic planning were then asked about the frequency of their planning efforts. Their responses were:

- More frequent strategic planning than annually—1 (3%).
- Annual strategic planning (not an update)—9 (29%).
- Annual updating of existing strategic plan—10 (32%).
- Updating of strategic plan infrequently—11 (36%).

It is interesting to note that the majority of respondents (64%) engage in some type of annual update or planning effort.

The length of time that a strategic plan covers ranged from a minimum of 1 year to a maximum of 25 years. Of the agencies that do annual updating of their strategic plan, the average number of years their plan covers is 8.5. For all respondents, the average number of years covered was 9.3, with the most common answer being 5 years.

### Components Used

There are several typical components of a strategic planning document. Respondents were asked whether any of eight components were used in their strategic planning documents. The most common components were mission statement (97%), recommendations (94%), and identification of strategic issues (81%). The least common components were the internal and external environmental scans—only 52% of the respondents have them. (Many transit operators either did not know what

environmental scans were or, upon explanation, called them different things. Also, some agencies perform environmental scans, but do not include them in their strategic plan documents.) Table 4 summarizes the responses.

### Benefits Gained

Transit agencies were also asked about the greatest benefit they received from strategic planning. A wide variety of responses were received. The responses can be grouped into the following five categories.

1. The most common response (19) was that strategic planning allows for the transit staff and board to have a more long-range view in decision making and day-to-day activities. Those who answered this tended to believe that strategic planning allowed them to focus on results and big picture goals instead of dwelling on the details of day-to-day tasks.
2. Fourteen respondents indicated that the strategic plan and process were used to restructure or expand existing services. Specifically, nine reported that strategic planning was used for restructuring to gain a more efficient use of resources (including ridership increases) and five noted that it was used as a guide for the expansion of services.
3. Ten respondents indicated that stakeholder (local government, the public, and local businesses) awareness was increased and input gained by the use of strategic planning. Specifically, seven suggested that they received more awareness and input from the public and from local government through strategic planning and three that suggested strategic planning guided them into partnerships between the private and public sector.
4. Eight respondents indicated that strategic planning helps clarify and align the thinking of the staff and board. For example, strategic planning coordinates organizational objectives and allows management and staff to document what they know intuitively. It serves as a future guide for policymakers and staff and helps create consistency between the policymakers and the policy implementers.
5. Finally, seven respondents indicated that strategic planning was used in conjunction with funding concerns and decisions. Specifically, strategic plans were used to

TABLE 2  
SURVEY RESPONSES (by size and type of agency)

Size/Type	No. Surveyed	% of Total Survey Pool	No. of Responses	Response Rate (%)	% of Total Respondents
Small	5	11	1	20	4
Medium	19	43	12	63	50
Large	14	32	10	71	42
Commuter rail	2	5	1	50	4
Canadian agencies	4	9	0	0	0
Total	44	100	24	55	100



TABLE 3  
USE OF STRATEGIC PLANNING (by size of system)

Size of System	Perform Strategic Planning	Do Not Perform Strategic Planning	Total
Small	17 (74%)	6 (26%)	23 (100%)
Medium	9 (90%)	1 (10%)	10 (100%)
Large	5 (100%)	—	5 (100%)
Total	31 (82%)	7 (18%)	38 (100%)

justify a need to increase funding or were used in conjunction with funding decisions (five responses). Two respondents indicated that through strategic planning their agencies realized a need for more resources than they currently have to meet the needs of their region.

## RESULTS—SELECTIVE SURVEY

### Use of Strategic Planning

Of the 24 agencies that responded to the second, selective survey, 2 reported that they do not perform strategic planning. On closer examination, three other agencies that reported performing strategic planning appeared to be referring instead to the federally required Long-Range Transportation Plans and/or Transportation Development Programs. Two agencies that previously performed strategic planning no longer do so (see Table 5). Table 6 shows the percentage of agencies that perform strategic planning according to the size of the agency.

One of the agencies that previously performed strategic planning, but no longer does so, stopped the process to focus more energy on pressing short-term problems. The other agency did not stop so much as put their process temporarily on hold. The agency had a 5-year strategic plan and intended to revisit it in 2001 for updates and revisions. However, this was abruptly interrupted by a series of financial crises, including a plummeting economy, major budget deficits, service cuts, and layoffs.

The following survey results are based on the 17 agencies that currently perform strategic planning. Although there are many commonalities, as will be seen, there is also a variety of different approaches to conducting strategic planning in transit agencies. There is no single uniform model.

TABLE 4  
COMPONENTS OF STRATEGIC PLANS

Strategic Planning Components	Percentage Who Use Them
Vision statement	74
Mission statement	97
External environmental scan	52
Internal environmental scan	52
Identification of strategic issues and/or initiatives	81
Recommendations	94
Action plans, etc.	77
Performance measures	77

TABLE 5  
PERFORMANCE OF STRATEGIC PLANNING

Status of Strategic Planning	No. of Agencies	%
Currently perform it	17	71
Never performed it	2	8
Stopped performing it	2	8
Not really strategic planning	3	13
Total	24	100

### Benefits of Strategic Planning

Respondents cited numerous impacts or benefits from strategic planning; some general, some specific. In the more general category, the following impacts were cited:

- Created a new vision for the agency.
- Created a shared understanding of goals and objectives among staff, management, and the board.
- Helped everyone in the agency to work together.
- Facilitated the prioritization of projects and programs.
- Promoted greater board ownership of overall agency initiatives and less emphasis on pet projects.
- Provided greater agency support from external stakeholders.
- Helped agency become more customer oriented.
- Allowed agency to establish budget priorities, redirect staffing levels, and create more effective workflow.
- Helped define the agency's core role and responsibilities to the community.

More specific responses included:

- Helped shift emphasis from design and construction to corporate management.
- Noted that the average age of the fleet has declined, operating reserves have expanded, and ridership has grown.
- Led to the development of various agency initiatives such as Safety First, a return-to-work program, and a new agency logo and marketing strategy.
- Cited internal process improvements, such as the accounts payable process, procurement cycle time, and recruitment and selection.
- Enabled development of a marketing plan that dovetails with the strategic plan's objectives.
- Substantially reduced customer injuries and employee lost-time accidents.

TABLE 6  
PERCENTAGE OF AGENCIES PERFORMING STRATEGIC PLANNING (by size)

Agency Size	Yes	% Yes	No	% No
Small	1	100	—	—
Medium	10	83	2	17
Large	6	55	5	45
Total	17	71	7	29

### Name of Process

Most agencies call their process strategic planning, although several respondents use the term strategic business planning or refer to their documents as strategic business plans. This is particularly true for the two agencies under the MTA in New York, which prescribes the name and nature of the process for its subsidiary agencies.

The use of the term “strategic business planning” may reflect one or both of two sentiments. It may be an attempt to merge the somewhat different concepts of strategic planning and business planning or it may simply reflect a movement that began a few years ago in an attempt to make public-sector agencies more “businesslike.”

### Duration of Process

Eight agencies take fewer than 6 months to complete their planning processes. Five agencies take from 9 to 12 months. Two of the agencies regard their processes as continuous or ongoing. Table 7 summarizes these responses.

### Time Period Covered by Plan

The range of time periods covered by strategic plans overall was between 1 and 30 years. The average number of years was eight, with the most common answer being five. Table 8 shows the distribution of responses over the various time periods.

### Impetus for Starting Strategic Planning

For the most part, the impetus for conducting strategic planning was an internal decision by either management or the

transit board. For four of the agencies the primary impetus was state law (two agencies each in New York and Washington State). For one agency, it was required by the metropolitan government. The responses are summarized in Table 9.

### Responsibility for Strategic Planning

Three organizations did not have specific departments or individuals charged with the responsibility for strategic planning (one was a small agency and two were medium in size). Of the 14 organizations that did assign specific responsibility, there was quite a variety of where and to whom it was assigned. In terms of organizational location, five agencies indicated that the responsibility was primarily in the executive office. Three agencies indicated that the responsibility was in some kind of strategic planning department (e.g., strategic organizational planning). Two agencies cited more general planning departments (e.g., planning and development or transit planning). The administration and human resources departments were cited by two other agencies.

With regard to who was responsible for the function, three agencies indicated that the general manager, executive director, or assistant executive director was the key person. Three agencies indicated an executive vice president or vice president, and three more indicated a director of a strategic planning unit. Other managers cited were a strategic business manager and a senior transit manager. In three cases, staff level positions were cited—a human resources specialist, a transit planner, and a principal management analyst.

### Usefulness of Strategic Planning

Respondents were asked to rate the usefulness of strategic planning at their agency on a scale of 1 to 5 (with 1 being “not at all useful” and 5 being “extremely useful”). Overall, the respondents rated usefulness as a 4, or “very useful.” The responses are summarized in Table 10.

TABLE 7  
DURATION OF PLANNING  
PROCESS

Duration	No.	%
2 months	1	6
3–6 months	7	41
9–12 months	5	29
Ongoing	2	12
Other	2	12
Total	17	100

TABLE 8  
TIME PERIOD COVERED BY  
PLAN

Time Period	No.	%
1–3 years	2	12
5 years	7	41
6–10 years	2	12
11+ years	2	12
Undefined	4	24
Total	17	100

TABLE 9  
IMPETUS FOR STARTING  
STRATEGIC PLANNING

Impetus	No.	%
Internal decision	12	71
External requirement	5	29
Total	17	100

TABLE 10  
USEFULNESS OF STRATEGIC  
PLANNING

Rating	No.	%
1 (not at all useful)	0	0
2 (somewhat useful)	1	6
3 (fairly useful)	2	12
4 (very useful)	10	59
5 (extremely useful)	4	23
Total	17	100
Average rating	4.0	

Note that 82% of respondents rated strategic planning as “very useful” or “extremely useful.”

Respondents were also asked about the reason for their ratings. Typical answers included:

- Our annual goals and budget are driven by goals that come from the strategic plan.
- Strategic initiatives set forth by the board help management and staff to set priorities.
- It puts the board and staff on the same page and makes it easier to get the board to agree with our annual goals and objectives.
- It focuses our energies.
- It increases interdepartmental coordination.
- It is used as a management tool—performance metrics are linked to the strategies, thus holding departments accountable for results.
- It helps to identify areas for improvement and the need for additional funds.
- Performance indicators associated with the strategic plan are an important means for measuring progress.
- It caused us to recognize the importance of our role in the region.
- It was useful in the agency’s successful sales tax ballot initiative.
- It outlined a vision for how we want transit to develop in the region for the foreseeable future.

### Involvement in the Planning Process

Respondents were asked about who was involved in their internal planning process. All of the agencies indicated that “executive management” was involved. Approximately three-fourths of the agencies also involved other management, the board, line and staff departments, and strategic planning staff. Table 11 summarizes this involvement. The “other” category primarily included external stakeholders such as taxpayers, elected officials, and citizen and community groups.

### Involvement by External Agencies

Respondents were also asked about the involvement by external agencies such as a metropolitan planning organization (MPO), a regional transit agency, or local municipalities or

counties. There was no clear pattern here. For the most part, external agencies do not have to approve the strategic plans. They are more likely to be involved in their development. This was particularly true in the case of MPOs—they are sometimes involved in the development but usually not in approval. A common role of the MPO was to provide demographic and environmental types of information. (In two cases, the transit agency is the MPO.) Table 12 summarizes the involvement by other agencies.

### Use of Retreats

Three-fourths of the respondents use board and/or management retreats as part of their process. Most of the retreats are done annually. One agency has a mid-year retreat to review with the board the overall priorities that the executive management team would like to pursue in the next year, and another retreat late that year to update the board on the budget implications. Another agency uses quarterly planning workshops involving both board and management.

The duration of the retreats ranged from one-half day to 1 week. (The 1 week retreat, at the Metropolitan Transit Authority in Nashville, was with all levels of staff represented on a rotating basis.) The retreats included a variety of activities such as an environmental assessment (or scan), a SWOT analysis, development of annual goals and objectives, generation of a “strategic portfolio” (a set of strategic initiatives or priorities), and creation of a strategic vision.

### Use of Consultants

Two-thirds of the agencies used a consultant at some stage to assist them with the process. Many of these agencies only used a consultant when they began strategic planning and currently do not. Consultants were sometimes used for substantive purposes (e.g., designing a strategic planning process or conducting an environmental scan); however, many agencies used them primarily as professional facilitators at meetings; for example, at planning retreats.

### Plan Approval

The agency board approves the strategic plan in more than one-half of the agencies. It is approved by top management in approximately 20% of the agencies. In one-fourth of the

TABLE 11  
INVOLVEMENT IN THE PLANNING  
PROCESS

Who Is Involved?	No.	%
Board of directors	13	76
Executive management	17	100
Strategic planning staff	12	71
Other management	13	76
Line and staff departments	12	71
Other	6	35

TABLE 12  
INVOLVEMENT BY EXTERNAL AGENCIES

Agency	Development		Approval	
	No.	%	No.	%
MPO	8	47	4	24
Regional transit agency	3	18	3	18
Municipalities and/or counties	9	53	5	29
Other	4	24	1	6

agencies, the plan is approved by a regional transit agency or local government. Table 13 summarizes the approving bodies.

### Plan Content

The plan documents contain a number of common elements of a strategic plan, such as a vision and/or mission statement, an internal and external environmental scan, and an identification of strategic issues and initiatives. The most common plan element (in 100% of the agencies) was the identification of strategic issues and/or initiatives. Table 14 indicates the prevalence of the various types of plan elements as reported by the survey respondents.

Respondents were also requested to provide copies of their strategic planning documents. Fourteen agencies did so. Following are some key observations from a review of these documents:

- Six of the plans were called “Strategic Plans.” Six others were titled “Strategic Business Plans.” The remaining two were named “Destination 2010” and “Strategic Initiatives.”
- Several of the plans contained statements about organizational values. This is a relatively new development in strategic planning that has been more common in the private sector. The general intent is to define the organization’s core values so that they can serve as a context or framework for its plans and activities.)
- Some agencies have well fleshed-out plans, but their yearly updates were sparse. Conversely, some agencies had detailed yearly updates and a sparse plan. It appears that the more detailed the plan, the less need for detailed annual updates, and vice versa.

TABLE 13  
PLAN APPROVAL

Approving Body	No.	%
Agency board	9	53
Agency top management	3	18
Local government	2	12
Regional transit agency	2	12
Other	1	6
Total	17	100

TABLE 14  
PLANNING DOCUMENT ELEMENTS

Plan Elements	No.	%
Vision statement	10	59
Mission statement	14	82
External environmental scan (e.g., opportunities and threats)	12	71
Internal environmental scan (e.g., strengths and weaknesses)	12	71
Identification of strategic issues and/or initiatives	17	100
Recommendations	10	59
Action plans, etc.	15	88
Performance measures	13	76
Other	7	41

- Four agencies combined their strategic planning documents with their financial plans/capital improvement programs.
- Two agencies used a balanced scorecard approach, an approach being used in many private-sector companies.
- Three agencies’ plans contained educational pieces either describing the terms of strategic planning and/or the process, or explaining why the organization is conducting strategic planning.
- Two plans were as brief as a board meeting document outlining strategic initiatives or a four-page outline of goals and strategies for the year.

One agency, the San Diego Association of Governments (SANDAG), has an interesting strategic plan. Known as the Transit First Strategic Plan, it contains only a few of the specific elements identified previously. Instead, it lays out a visionary strategy for increasing the role that public transportation plays in meeting the region’s mobility needs over the next 20 years. It focuses on three areas that will be key to the success of the Transit First strategy:

1. An increased regional funding commitment to both transit operating and capital improvements.
2. Close integration of land use and transportation planning (“Smart Growth”).
3. Implementation of transit priority measures to bypass congested areas to improve travel times and reliability.

Adopted in October 2000, development of the Transit First strategy was a collaborative effort between the Metropolitan Transit Development Board, the California Department of Transportation, the North County Transit District, SANDAG, and local jurisdictions. (Note that in January 2003, SANDAG assumed many of the transit planning, funding allocation, project development, and construction responsibilities of the Metropolitan Transit Development Board and the North County Transit District.) Although not a traditional strategic plan, it is certainly strategic (in terms of its time frame, number of agencies involved, and changes that will be necessary for it to succeed, and it is a clearly a plan. It creates a strategic vision for transit in the region. Therefore, it has been included in this analysis.

### From Planning to Implementation

Many of the comments about moving from planning into implementation centered on the need to translate the plan into annual goals and objectives and to implement them through the budgetary and capital programming processes. Several agencies have monthly or quarterly progress reviews that might include presentations to the board. A few agencies go an additional step by linking the accomplishment of goals and objectives with individual performance appraisals. In several cases, the evaluation of the general manager or executive director by the board is tied directly to the achievement of strategic plan goals.

A common theme regarding implementation was the need for good communication. This included holding meetings with various groups to explain the plan and their role in it, regular discussion at senior management team meetings, regular reporting to the board, and the posting of goals and results on the agency website.

One agency, LACMTA, reported a very comprehensive process. In addition to the communication strategies described previously, this agency forms teams tied to each strategic goal. These teams meet monthly or bi-monthly with facilitators from the Organizational Development and Training Department, whose job it is to coach the goal “owners” as they work on achieving their goals. In addition, the executive management team holds quarterly reviews with the teams to ensure that they are recognized for their accomplishments and for meeting their milestones. Finally, the agency uses key performance indicators (KPIs) that are reported to the chief financial officer as part of the operating management and budget process. For fiscal year (FY) 2005, the agency is developing monthly performance monitoring using key, high-level indicators.

### Effectiveness of Implementation

Respondents were asked to rate their effectiveness at implementing strategic plan recommendations on a scale of 1 to 5, with 1 being “not at all effective” and 5 being “extremely effective.” Overall, they rated implementation at 3.6, between “fairly effective” and “very effective.” Table 15 summarizes the responses.

Respondents were also asked to explain their answers. A number of the respondents remarked on the difficulties involved in implementation; for example, overcoming years of stagnancy with entrenched staff, the need for “hand-holding” to keep people moving in the right direction, and the reality of new circumstances that redirect energies. Several systems pointed out that they were just getting started or were still in a learning phase.

A key aspect of making strategic planning effective is linking it to other important organizational processes, not conducting it as an isolated planning exercise. This includes link-

ing it to operational planning, the annual operating budget, capital planning and programming, financial planning, and performance measurement. Most agencies have made these linkages, as summarized in Table 16.

### Use of Performance Measures

Most systems reported using some kind of performance measure in connection with their strategic planning process. They are developed or identified in a variety of ways. Generally, they are developed at a management level, sometimes with guidance from the board. Sometimes they are developed jointly between a manager or executive and the units that report to that individual. Some systems let the responsible individuals develop the measures and these are then reviewed and approved at the next level. One system reported that the measures were identified as part of one of their planning retreats.

At MTA New York City Transit, the performance indicators are selected by the MTA (Metropolitan Transportation Authority), the regional transit agency, and specific targets for those indicators are established by responsible departments in each subsidiary agency. These are then approved by the agency’s president and by the MTA board.

### Mechanisms for Evaluating Success

Several respondents use monthly or quarterly reports to management and/or the board. Similarly, several use some kind of quarterly management review process that assesses progress on goals or performance measures. Most agencies have at least an annual report or review of some kind. In addition, many agencies formally update their plans each year and this involves a review of progress against the plan.

The Washington Metropolitan Area Transit Authority uses a Corporate Alignment Plan, a tool for managing progress much like a business plan. The Corporate Alignment Plan “aligns” annual performance targets with the strategic plan. It contains annual goals, objectives, and performance metrics that are set by management, and that allow the organization to track its accomplishments. The plan also uses the balanced scorecard concept described earlier in the literature review.

TABLE 15  
EFFECTIVENESS AT  
IMPLEMENTING STRATEGIC PLAN  
RECOMMENDATIONS

Rating	No.	%
1 (not at all effective)	0	0
2 (somewhat effective)	1	6
3 (fairly effective)	8	47
4 (very effective)	5	29
5 (extremely effective)	3	18
Total	17	100
Average rating	3.6	

TABLE 16  
LINKAGE TO OTHER PROCESSES

Process	No.	%
Operations/service planning	15	88
Budgeting	15	88
Capital planning/programming	13	76
Financial planning	13	76
Information technology planning	14	82
Performance measurement	13	76
Organization development	12	71
Other	4	24



## Keys to Success

Several common themes ran through the responses to the question about the “keys to success” in their planning processes:

- Support and commitment by the board and/or top management.
- Broad participation and involvement by management, staff, and other key stakeholders.
- Making the process collaborative and cross-functional; getting broad “buy-in.”
- Good communication about the plan so that everyone understands their role in its success.

Other more specific responses regarding keys to success by particular agencies included:

- Discussing budget implications at the same time as strategic initiatives.
- Having one person dedicated to facilitating the process to ensure continuity.
- Using the plan as a business tool.
- Basing the plan on good data.
- Holding departments accountable.
- Continuously reviewing the plan.
- Using it to develop annual goals.
- Making reference to the plan in initiatives throughout the year.
- Narrowing topic areas down to manageable goals and objectives that can be achieved in a year or less.

One agency, LACMTA, cited two interesting features of its planning process. First, it uses a “Leadership Model” to communicate the strategic plan to middle management and frontline supervisors. Second, each business unit is given a video presentation in which the chief executive officer (CEO) stresses the importance of achieving the business goals of the agency. [This is described in more detail in the Case Study section (chapter four).]

## Challenges

Several challenges were cited in response to the question about pitfalls or obstacles typically encountered in the strategic planning process.

- The difficulty of staying focused on strategic issues throughout the year in light of pressing day-to-day issues.

- The difficulty of working with numerous individuals, dealing with differing opinions, and getting all of the information needed in the time frame available.
- External factors such as severe funding problems that delay or derail the process.
- The use of goals that were too broad and that did not provide enough guidance for priority setting.
- Media scrutiny of the process.
- The reluctance of some individuals to set ambitious targets for which they are willing to be held accountable.
- Inadequate communication and participation.

In regard to how the challenges were overcome, support from the top was frequently mentioned as an important factor. In one case, the “willpower” of the board chairman and executive director was cited as crucial. In another case, the agency president distributes a “guidance” memo at the beginning of the strategic planning process, which outlines where he wants to see more programmatic emphasis. He also reviews the draft plan before it goes to the board to see that it includes appropriate programs and performance targets.

Good communication was cited by many respondents as a key ingredient in overcoming obstacles. Similarly, giving employees significant input into the process was cited as important. One agency revised its employee appraisal form to include accomplishment of goals developed in the planning process as a factor in performance appraisal.

## Lessons Learned

In addition to the items mentioned previously under keys to success or overcoming challenges, other lessons learned were:

- Integrate the strategic plan outcomes into typical operating documents such as service plans and budgets.
- Make the plans and goals ambitious, but not so much so that they are unattainable.
- Recognize that change will be difficult and that it will take time and effort.
- Involve not just the organization but the community too. The effort will not be successful without the support of community partners, as well as local, state, and federal governments.

Finally, one respondent advised “Take a deep breath, make a complete break from the tactical, and focus on the strategic. Celebrate accomplishment.”

## CASE STUDIES

### OVERVIEW

Five transit agencies were selected for case studies. Selection criteria included whether the agency has a comprehensive process or one that is noteworthy in some way, whether it is believed to be a beneficial process for the agency, and whether the agency has been relatively effective at implementing the plan. In addition, the size of the agency was considered so that small, medium, and large agencies would all be represented.

The five agencies selected were:

1. Ann Arbor Transportation Authority (AATA) (small) ([www.theride.org](http://www.theride.org)).
2. Dallas Area Rapid Transit (DART) (large) ([www.dart.org](http://www.dart.org)).
3. LACMTA (large) ([www.mta.net](http://www.mta.net)).
4. MTA New York City Transit (large) ([www.mta.nyc.ny.us/nyct/index.html](http://www.mta.nyc.ny.us/nyct/index.html)).
5. Transit Authority of River City (Louisville, KY) (medium) ([www.ridetarc.org](http://www.ridetarc.org)).

The case study agencies share a number of common features that serve to make their strategic planning process effective. For example, all of them use a very collaborative and participative process, often involving teams of employees. Team building is therefore an important ingredient in their strategic planning efforts. Most of the agencies involve not just internal management and staff but key external stakeholders as well. Most of the agencies also regularly use management and/or board retreats as part of the process. All of them in some way link their strategic plan to their budgeting and capital programming processes. In addition, all of the agencies incorporate performance measures and regular progress reporting.

There were also a number of particularly noteworthy or distinctive features used by some agencies.

- Two agencies, DART (Dallas) and LACMTA (Los Angeles), use a “balanced scorecard” approach. This is an approach used by many private-sector companies (described earlier in the literature review) (4).
- Dallas has adopted a very global strategic plan that has been reduced to 1 page. The heart of its strategic planning process is instead its annual business plan, which is based on the strategic plan. Dallas has also developed a com-

prehensive “Leadership System and Strategic Alignment Process” that involves board policy and direction, management action plans and performance measurements, and individual performance plans for management and employees.

- As with Dallas, Los Angeles has developed a very comprehensive process for driving its strategic plan downward from its vision and mission through management and into individual performance appraisals. It also uses a sophisticated “Leadership Model,” which is used to “cascade and communicate” the strategic plan agency-wide. This has included use of a video presentation by the CEO that was made available for use at all-hands meetings used to discuss the plan.
- In New York, strategic planning is required by state law. The regional transit agency for the New York City region, the MTA, then prescribes certain overall goals and performance indicators to be used by each of its subsidiary agencies. The subsidiary agencies (e.g., MTA/ NYC Transit) then annually develop their own strategies and targets for each indicator.

### ANN ARBOR TRANSPORTATION AUTHORITY

#### Agency Description

AATA serves the Ann Arbor and Ypsilanti urbanized areas and portions of Ypsilanti, Pittsfield, and Superior townships in Michigan. Fixed routes in Ann Arbor are within one-quarter mile of 95% of all residences, and paratransit services are provided within three-quarters of a mile of all AATA routes. AATA also operates an interurban express bus service between Ann Arbor, Chelsea, and Dexter. The population of the service area is approximately 190,000 (1990 census).

The agency operates approximately 60 regular buses on 25 routes. It also operates 5 paratransit vehicles, and an additional 30 are operated by contractors. Riders make 4.4 million unlinked passenger trips on the system each year, with a total operating expense of \$19.4 million.

#### Strategic Plan Document

AATA’s strategic plan, *Destination 2010*, was adopted in 1999 and contains the following key elements:



- Mission, vision, and values;
- A description of the planning process, who was involved, and the Strategic Issues Model that was used in its development;
- A description and analysis of the agency's internal and external environments;
- A discussion of future challenges; and
- A plan for the future—"where, who, and what" (where service will be provided, who will be served, and what products or services will be offered).

### Plan Development

The AATA Board initiated the strategic plan in 1998 in response to the challenges that were anticipated over the next 10 years. What ensued was a collaborative effort involving the board, management, staff, outside consultants, and external stakeholders. A core team of representatives from all levels of the agency was used to oversee the process. In addition to the core team, a number of other teams were formed to assist with the effort as described here:

- Leadership alignment—to initiate dialogue and build consensus throughout the organization so that everyone would be working toward the same goals.
- Research—to identify and analyze key demographic, development, traffic, legal, political and fiscal trends and issues.
- Strategic issues and opportunities—to design and coordinate strategies for involving the workforce in the planning effort.
- Communications—to keep everyone informed about the strategic planning process.
- Internal culture—to ensure that organizational values were expressed in the AATA mission and in its internal activities.

More than 40 individuals were involved in the internal process including board members, senior management, and union and nonunion staff. In addition, a special Stakeholder Council Design Team was created to identify and involve important external stakeholders with an interest in public transit. Four facilitated sessions were held, with a total of 45 stakeholders participating.

Integral to AATA's strategic plan was the development of a Strategic Issues Model. This conceptual planning framework is shown in Figure 1.

The purpose of the model was to illustrate how AATA's core issues (who, what, and where) are surrounded by its core values, and how these in turn are affected by the agency's various constraints and opportunities. All employees were trained in the use of this model, which was used both in the development of the plan and in subsequent implementation efforts. The CEO believes that the model was very useful in



FIGURE 1 AATA strategic issues model [Source: AATA Strategic Plan—Destination 2010 (October 1999)].

helping employees balance the various elements of the model and understanding their interrelationships.

The strategic plan was adopted in October 1999 after approximately a 1-year effort. It covers a 10-year period and is updated annually. Retreats are used to flesh out annual goals and objectives that are based on the plan. Quarterly reports are then used to track the progress of the annual goals and objectives.

The CEO believes that the strategic plan has been "extremely useful" (a rating of 5 on a scale of 1 to 5) in terms of making it easier to get the board to agree to the annual goals and objectives, and in giving the entire agency a sense of direction.

### Plan Implementation

The chief executive officer also believes that AATA has been "extremely effective" (a rating of 5) at implementing strategic plan recommendations. Annual goals and objectives with quarterly reviews and presentations to the board are used to ensure that the plan moves from paper to implementation. Also, the planning process is linked to other key organizational processes such as budgeting, capital programming, service planning, and performance measurement. As with several other transit agencies, the board's evaluation of the CEO is based on the progress of the strategic plan.

### Significant Benefits

Among the important benefits cited from the strategic planning process were better budgeting, workforce unity, and community buy-in.

## Keys to Success and Lessons Learned

Good communication and wide involvement are believed to have been crucial to the success of the strategic planning process. In addition to involving agency personnel, the CEO believes that it was important to involve the whole community.

## DALLAS AREA RAPID TRANSIT

### Agency Description

DART is a regional transportation authority that was created in 1983 to serve the Dallas metropolitan area. It operates more than 700 buses and 95 light-rail vehicles, and serves an area of 700 square miles and 2.1 million people. It also operates commuter rail service between Dallas and Ft. Worth in conjunction with the Ft. Worth Transportation Authority.

### Strategic Plan Document

DART's strategic plan is a 1-page document that provides a framework for annual business planning, budgeting, and capital programming (see Figure 2). It is considered to be a 5-year plan that is reviewed annually and updated as necessary.

The plan is organized around three target groups identified in the board goals: Customers, Employees, and Stakeholders. Under each target group, there are "outcomes to be achieved," "management objectives," and "strategies." For example, under the Customer target group, there are two primary outcomes to be achieved:

- Increase Effectiveness (optimize ridership) and
- Increase Efficiency (improve subsidy per passenger).

Under Increase Effectiveness, there are two management objectives:

- Improve Customer Satisfaction and
- Manage System Growth.

Under Improve Customer Satisfaction, there are four strategies:

- Improve service reliability,
- Provide a customer friendly environment,
- Provide a safe/secure service, and
- Provide effective customer communication.

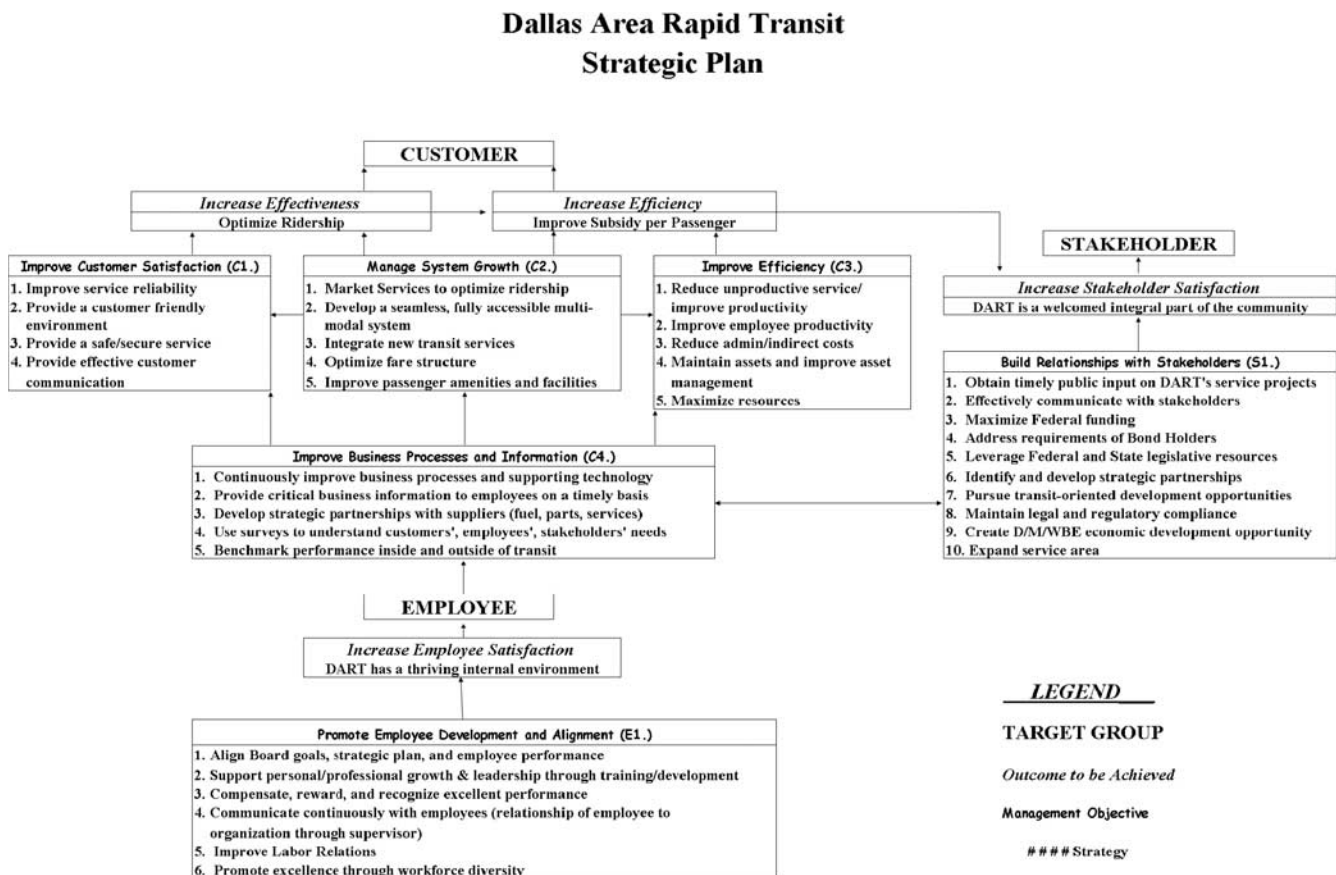


FIGURE 2 DART's strategic plan (Source: DART FY 2004 business plan).

DART's strategic plan identifies what needs to be accomplished and is the basis for what is at the heart of DART's annual business planning process. The business plan defines how management intends to achieve the initiatives outlined in the strategic plan and provides DART's performance projections and commitments for the organization as a whole and for each of its strategic business units (bus, light-rail, commuter rail, and paratransit modes). The plan includes 2-year scorecards of key operating, financial, and quality measures, and identifies the work program initiatives that are needed to achieve them. In addition, the plan includes the annual budget and a 20-year financial plan.

Other examples of the scorecard concept are presented in Tables 17 and 18. Each scorecard includes 2 years of actual data, an estimate for the current fiscal year, and a projection for the subsequent 3 fiscal years.

### Plan Development

Initially, management retreats were used in the strategic plan development process. The agency's mission, vision, and board goals drove the development process. More recently, the plan is reviewed in a team format with representation from each department. It is then reviewed by management each January, at the beginning of the annual business planning process. Factors considered in the review include

- An analysis of business results;
- The results of employee, customer, and climate surveys;
- External events (such as issues being considered by the state legislature); and
- Benchmark comparisons with other transit agencies and private-sector companies.

TABLE 17  
DART SCORECARD OF KEY PERFORMANCE INDICATORS

Goals	KPI Measure					
	FY01A	FY02A	FY03B	FY03 Q3	FY04B	FY05B
Ridership						
Total ridership (millions)	95.7	93.8	96.2	94.8	95.3	96.5
Fixed route (millions)	60.7	58.7	61.2	60.2	60.2	61.4
Efficiency						
Subsidy per passenger	\$2.34	\$2.76	\$2.65	\$2.81	\$2.50	\$2.55
Fixed-route subsidy per passenger	\$3.24	\$3.93	\$3.73	\$3.74	\$3.43	\$3.48
Administrative ratio	11.5%	11.2%	11.7%	10.6%	9.1%	10.0%
Service Quality						
On-time performance—bus	92.8%	92.8%	91.0%	92.4%	91.0%	91.0%
On-time performance—LRT	95.2%	97.0%	97.0%	97.4%	97.0%	97.0%
On-time performance—TRE	97.9%	97.2%	96.0%	97.5%	96.0%	96.0%
Customer Satisfaction						
Complaints per 100,000 passengers	24.7	34.8	31.0	42.6	32.5	32.1
Managed Growth						
Sales tax for operations	59.6%	77.5%	75.4%	84.4%	76.1%	72.9%

Notes: KPI = key performance indicators; LRT = light-rail transit; TRE = Trinity Railway Express.  
Source: DART FY 2004 business plan.

TABLE 18  
BUS SCORECARD—KEY PERFORMANCE INDICATORS

Indicators	FY01A	FY02A	FY03B	FY03 Q3	FY04B	FY05B
Customer/Quality Indicators						
Fixed-route bus ridership (millions)	47.5	42.4	41.4	40.4	39.8	40.7
Charter ridership (millions)	0.4	0.4	0.4	0.4	0.3	0.3
Revenue miles (millions)	30.3	31.2	30.9	30.9	27.9	27.9
Passengers per mile	1.58	1.37	1.35	1.32	1.43	1.46
On-time performance	92.8%	92.8%	91.0%	92.4%	91.0%	91.0%
Mean distance between roadcalls	3,783	3,827	4,200	4,124	4,200	4,200
Vehicle accidents per 100,000 miles (all service)	2.87	2.40	2.80	2.20	2.80	2.80
Avg. no. of operator unscheduled absences (days)	25.1	22.5	20.0	16.3	23.0	22.0
Financial/Efficiency Indicators						
Revenues (millions)	\$29.2	\$27.2	\$28.0	\$25.6	\$28.8	\$29.1
Expenses—fully allocated (millions)	\$183.3	\$205.1	\$192.0	\$191.3	\$174.5	\$178.3
Net subsidy (millions)	\$154.1	\$177.9	\$164.0	\$165.7	\$145.7	\$149.1
Subsidy per passenger	\$3.22	\$4.12	\$3.92	\$4.06	\$3.63	\$3.64
Cost per revenue mile	\$6.05	\$6.57	\$6.22	\$6.20	\$6.25	\$6.39
Pay-to-platform ratio (hours)	N/A	N/A	1.29	1.29	1.28	1.28

Note: N/A = not available.

Source: DART FY 2004 business plan.

Changes to the plan's strategies and targets that are identified are brought to executive management for approval.

### Plan Implementation

For implementation, DART uses a "Leadership System" based on the concept of strategic alignment; a process designed to ensure that employee jobs and performance are aligned with the agency's mission, direction and board goals, and policies. This system is illustrated in Figure 3.

The annual budget and capital program are directly linked to the strategic plan. The agency rates itself as "fairly effective" in terms of implementation (a rating of 3 on a scale of 1 to 5).

### Significant Benefits

The strategic planning process is considered to be "very useful" (a rating of 4 out of 5) as a management tool for holding departments accountable for results based on performance metrics that are linked to strategies. One specific benefit cited was its use during a major cost-cutting effort, when staff was able to show the board the impacts on the plan if cost-cutting measures the board was recommending were to be adopted. More generally, the plan has provided a tool for prioritizing projects and making management decisions based on their impact on the plan.

### Keys to Success and Lessons Learned

The agency's mission, vision, and strategic plan are clearly understood by all levels of management and employees. The budget and the long-range business plan are linked to the strategic plan. Strategies are viewed from a cross-functional team basis and are measurable and driven through the organization.

DART's initial effort in developing the strategic plan was much more detailed—more of an action plan. It had to be changed more often than desired as projects were completed. DART therefore created a more "global," usable plan that would serve the agency for a longer term.

Originally DART's major challenge was in being able to obtain all the necessary information on a timely basis from the numerous individuals involved. Currently, deadlines are set and individuals are designated with oversight responsibility to provide the required information within the time frame.

### LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

#### Agency Description

LACMTA is one of the biggest transit systems in the country. It serves one of the largest and most populous metropolitan counties—9.6 million people and 1,433 square miles. It operates more than 1,900 buses and 60 miles of rail service, and employs more than 9,000 individuals.

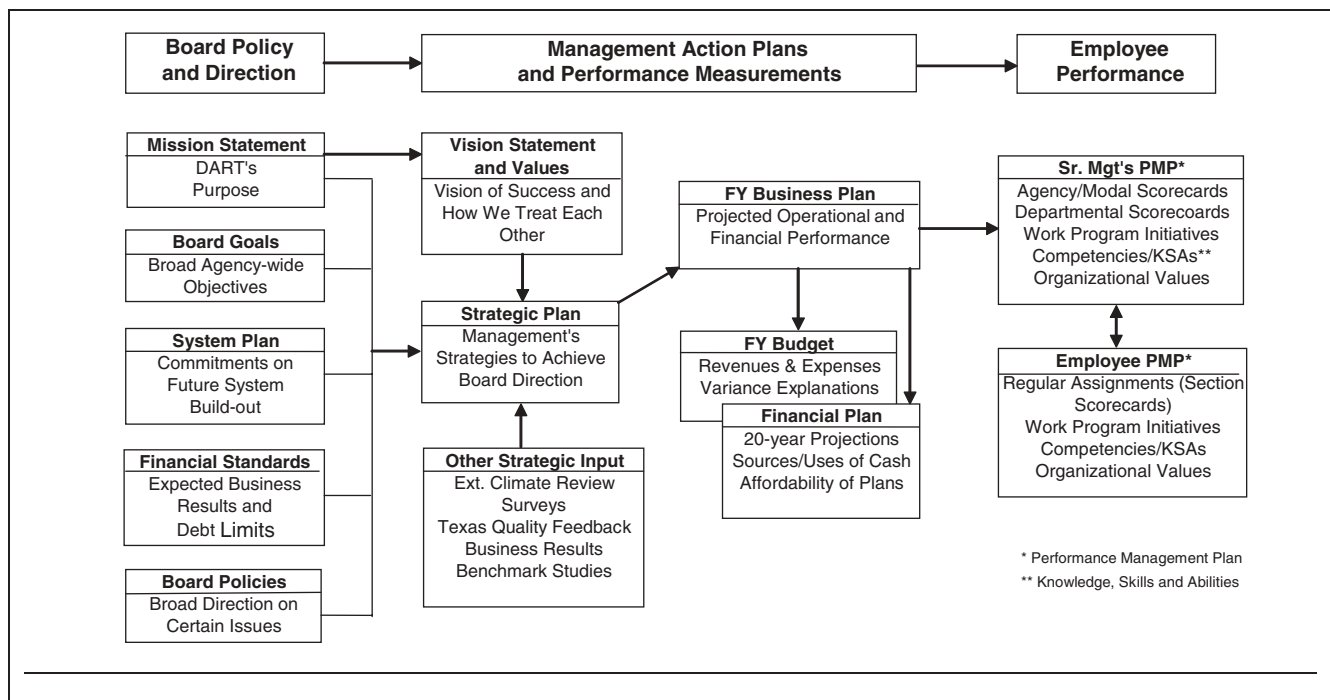


FIGURE 3 DART's leadership system and strategic alignment process (Source: DART FY 2004 business plan).

In addition to operating an extensive transit system, LACMTA also funds 16 municipal bus operators and a wide array of transportation projects that include bicycle and pedestrian facilities, local road and highway improvements, goods movement, and the Freeway Service Patrol and call boxes. The agency is unusual in that it also serves as the federally required MPO for the region.

### Strategic Plan Document

LACMTA developed its first strategic plan (called a Strategic Business Plan) for the FY 01–03 period. It included a mission, vision, and goals. The goals were organized in a balanced scorecard framework with each supported by more detailed goals and objectives.

The strategic plan (now called a Strategic Performance Program) was redone for FY 03–07. It retained much of the structure of the previous strategic plan; that is, a mission, vision, and goals; detailed objectives; and KPIs. However, a new element was the inclusion of agency “core values.” In addition, it began to move the organizational goals and objectives down to the departmental and individual levels.

LACMTA regards its strategic plan as a “living document” and “evolving plan,” not as a rigid or fixed document. The plan is updated on an annual basis.

### Plan Development

Development of the most recent plan began in January 2002 when the CEO initiated an internal process that involved a cross section of 70 team leaders. This group met on six different occasions to discuss the agency’s services, programs, possible strategic approaches, and how the success of the agency’s efforts could be measured. The following seven organization-wide strategic goals were developed:

1. Create a “safety” conscious culture throughout the MTA and its customers and business partners.
2. Improve transit systems.
3. Attract, develop, and retain employees.
4. Create a positive image of the MTA.
5. Deliver quality capital projects on time and within budget.
6. Provide leadership for the region’s mobility agenda through responsive planning and resource allocation.
7. Improve the efficiency and effectiveness of the agency.

Specific objectives were identified for each goal, and implementation strategies, action plans, and KPIs were then developed that assigned responsibility to key “management owners” and “team support partners.” A consultant was used during the planning process to help facilitate the strategic planning meetings. The process is shown graphically in Figure 4.

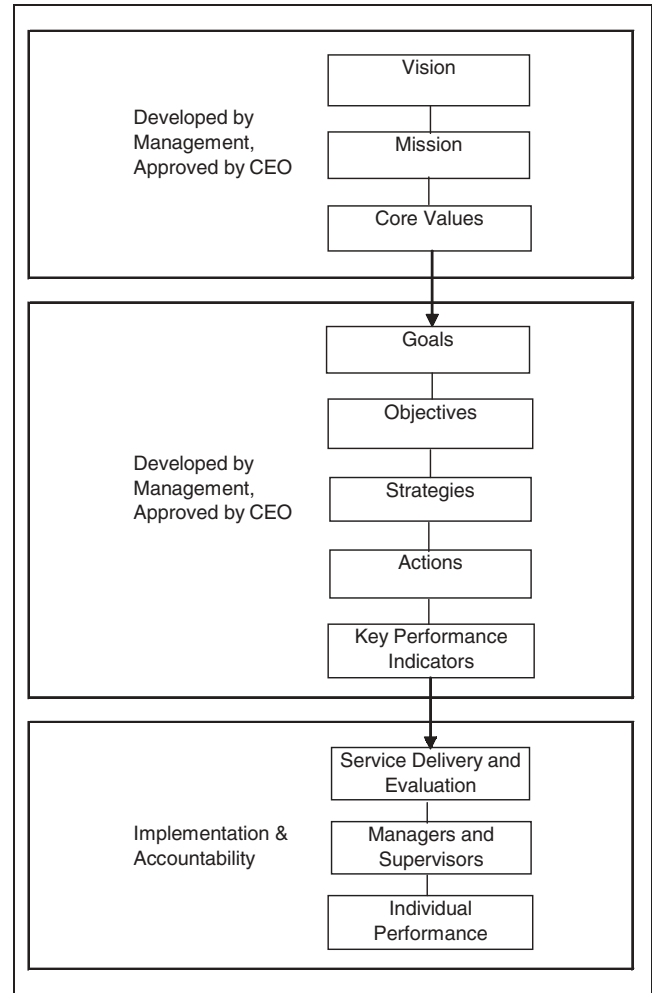


FIGURE 4 LACMTA strategic planning process (Source: MTA Strategic Performance Program, FY 2003–2007).

### Plan Implementation

To help move from planning into implementation, the agency used several noteworthy strategies:

- The CEO held an all-hands meeting of key management and staff to communicate the details and importance of the strategic plan. Television monitors were used for staff who could not physically attend.
- Each business unit was also asked to hold an all-hands meeting to communicate the strategic plan. Each unit was given a video presentation in which the CEO emphasized the importance of achieving the strategic business goals of the agency.
- The strategic goal teams met monthly or bi-monthly with facilitators from the Organizational Development and Training Department, who coached them in regard to goal attainment.
- Executive management held quarterly review sessions where goal team members were recognized for their accomplishments and for meeting their milestones.



- The KPIs are reported to the chief financial officer on a quarterly basis as part of the operating management and budget process.

This process is depicted by the Leadership Model that LACMTA uses to “cascade and communicate” the strategic plan agency-wide (see Figure 5). Its purpose is to help ensure that the strategic plan is understood at every level and across all transit modes, and to encourage the commitment, energy, and hard work of all agency employees. It shows how the agency-wide vision, mission, and values are used to provide a framework for strategic goals and objectives, and these are in turn integrated with the budget and performance management processes. This includes a linkage to each employee’s role and responsibilities and to his or her compensation.

The agency has recently developed performance appraisal forms that are directly tied to the strategic plan goals. Each year the agency reassesses its performance, goals, and objectives in view of its budget appropriations. The respondent rated the agency as “very effective” in terms of implementing the strategic plan (a rating of 4 on a scale of 1 to 5).

### Significant Benefits

The survey respondent believes that strategic planning has been “extremely useful” at the agency (a rating of 5 on a scale of 1 to 5). Key benefits cited included:

- Provision of a foundation for how the agency will meet Los Angeles County’s transportation needs.
- Identification of the goals, objectives, strategies, and action steps required for the agency to be successful.
- A description of where the agency wishes to be, what it does, and how it will conduct day-to-day business.

More specific benefits described were:

- Introduction of “Safety First” as a new program initiative to reduce accidents and injuries by 51% (an outgrowth of Strategic Goal 1).
- Development of a Return-to-Work Program for former LACMTA employees (an outgrowth of Strategic Goal 3).
- Creation of a more positive image for the agency, including a Metro logo and a new brand marketing approach to improve the public’s perception of the agency (an outgrowth of Strategic Goal 4).
- Improvement in the efficiency and effectiveness of the agency including streamlining of the top internal processes (e.g., payment of bills, procurement, and employee recruitment and selection) (an outgrowth of Strategic Goal 7).

### Keys to Success and Lessons Learned

Part of the success of the agency’s strategic planning process is attributed to its collaborative and cross-functional nature.

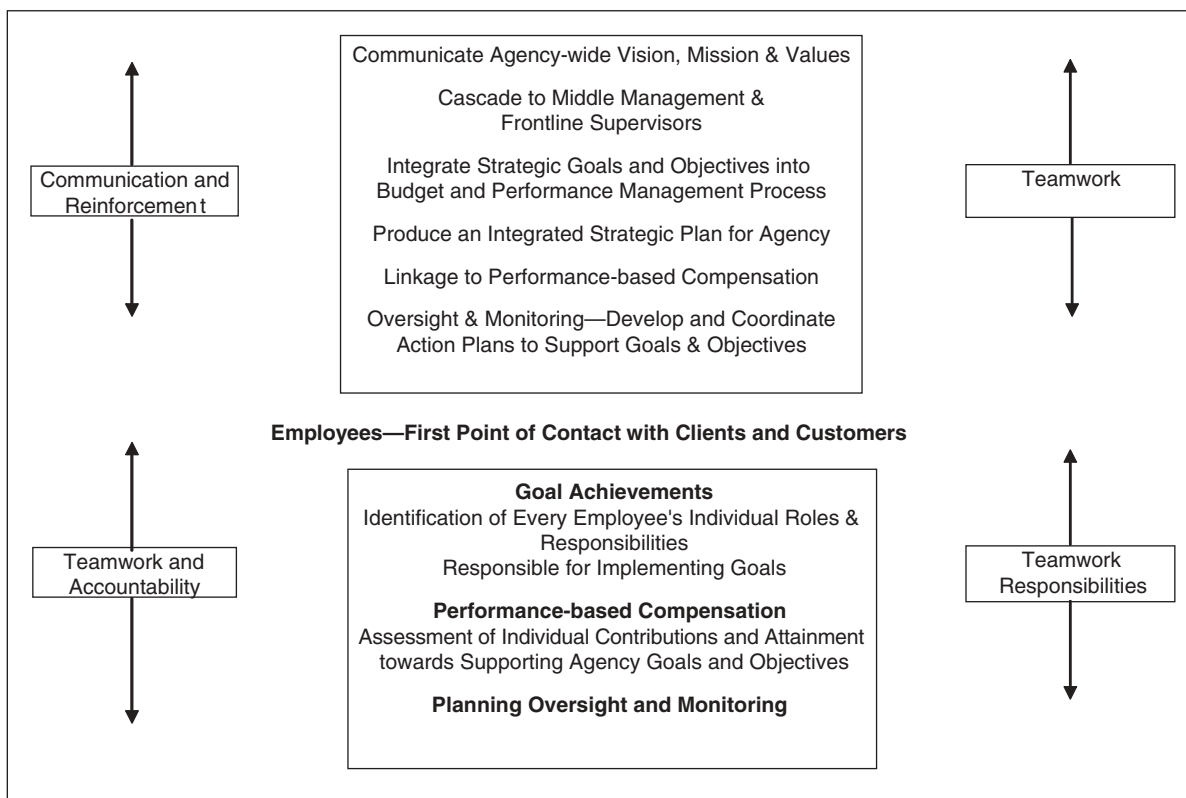


FIGURE 5 LACMTA leadership model (Source: MTA Strategic Performance Program, FY 2003–2007).

This included the involvement of various levels of management, individuals from a variety of functional areas, and the use of retreats where everyone could be heard. The Leadership Communication Model was cited as important in both communicating the plan and in getting buy-in from participants.

Finally, the importance of presenting the strategic plan to the board of directors was emphasized. This helps the board to articulate the goals of the agency externally and to work in support of the agency's vision and mission.

## MTA NEW YORK CITY TRANSIT

### Agency Description

MTA/NYC Transit is one of several subsidiaries under the New York Metropolitan Transportation Authority (MTA). (Other subsidiaries include Metro-North Railroad, Long Island Rail Road, and Long Island Bus.)

The agency operates the largest subway car fleet in the world (more than 6,000 cars), and more buses than any other transit provider in North America (more than 4,400). Its annual operating budget is approximately \$4 billion and its 5-year capital program exceeds \$10 billion. It employs more than 48,000 people.

### Strategic Plan Document

The framework for the agency's strategic plan is established both by state law and by the MTA. The plan is developed annually and covers a period of 5 years. In its 2004–2008 Strategic Business Plan, the MTA set out three broad goals for the regional public transportation system:

1. Improve safety for employees and customers.
2. Improve customer satisfaction.
3. Improve cost-effectiveness.

Under each goal, the MTA developed more detailed *inter-agency* strategies and tactics. Under each tactic, more specific targets are described, a status report is provided, the responsible department is identified, and a cost (revenue or savings) impact is estimated. Each of its subsidiary agencies developed its own Strategic Business Plan based on this structure. Specific performance indicators are chosen by the MTA; each agency then sets its own targets related to each indicator.

As an example of this structure, the following was provided in NYC Transit's Strategic Business Plan under the goal of Improve Customer Satisfaction:

- Current view—This section provided a short discussion of historical and current efforts to improve customer satisfaction.
- Anticipated results—This section provided quantified information on performance, as shown in Table 19.

Similar targets were provided for the bus system. The following seven strategies that will help lead to attainment of the overall goal were included:

1. Improve subway service reliability.
2. Improve bus service reliability.
3. Implement new services and improve service management.
4. Provide a cleaner and more attractive station environment.
5. Improve air quality and environmental management.
6. Enhance access to service information and Metro-Card sales.
7. Provide transportation service for persons with disabilities.

All of these strategies has several more detailed tactics, each with its own specific targets, status, responsible department(s), and associated cost, revenue, or savings. As required by state law, the plan also included an appendix that focuses on operating and financial statistics.

TABLE 19  
CUSTOMER SATISFACTION INDICATORS—SUBWAY SYSTEM

Indicator	Actual 2002	Goal 2003	2004	2005	2006	2007	2008
Wait assessment*	88.8%	89.0%	89.2%	89.4%	89.6%	89.8%	90.0%
Enroute schedule adherence	77.5%	81.0%	81.2%	81.4%	81.6%	81.8%	82.0%
Mean distance between failures	114,619	132,000	133,000	134,000	135,000	136,000	136,000
Overall customer rating (0–10)	6.4	6.2**	6.3	6.4	6.5	6.6	6.7

\*A measure of the evenness of service from the customers' perspective. It is defined as the percentage of service intervals that are no more than the scheduled interval plus a specified number of minutes (depending on whether it is bus or rail service and whether it is peak or off-peak).

\*\*Actual results from 2003. Decrease attributed to a fare increase in 2003.



The plan document and planning process were streamlined in 1996 to focus on the key strategic issues within the MTA and its agencies. Some of the information that was previously included in the strategic plan (e.g., ridership trends and financial results) is now documented in the agencies' operating budget. Other information that was previously included (major studies and their implications, changing technology, and emerging issues) is discussed in separate, more specific reports on an as-needed basis.

### Plan Development

Each year, at the beginning of the strategic planning process, the MTA distributes a schedule for the plan's development and approval. Soon after, NYC Transit's president distributes a "guidance" memo that identifies the specific areas in which he wants to see more programmatic emphasis. The president also reviews the draft plan before it is submitted to the MTA board to ensure that it includes appropriate programs and performance targets. A similar review function is performed at a lower staff level by strategic planning staff. Issues that cannot be resolved at this level are then raised to the president.

### Plan Implementation

NYC Transit's Manager of Strategic Transportation Planning has described strategic planning at the agency as "the confluence of customers, operations, and budgets." He rates the agency as "very effective" (a rating of 4 on a scale of 1 to 5) in implementing its strategic plan. The reason for this is that the programs included in the plan must be included in either the operating or capital budgets. In addition, the capital planning process uses the goals of the strategic plan in establishing priorities among competing project proposals.

Another reason is that when the plan is updated each year, departments report on their progress. Progress reports are also made through other mechanisms outside the strategic planning framework.

### Significant Benefits

NYC Transit's experience with strategic planning was rated as being "very useful" (a rating of 4 out of 5), and the establishment of goals and objectives for programs and performance indicators as an important means of measuring progress. Three specific benefits were cited:

1. The focus on safety for employees and customers begun in the 1997–2001 strategic plan has led to a substantial

reduction in customer injuries and employee lost-time accidents.

2. It has led to a reordering of priorities within the customer satisfaction goal. The late 1990s saw a stronger emphasis on programs to increase service levels to meet growing demand. This has now shifted to programs to increase service reliability.
3. Even though the agency had a relatively flush period in the late 1990s, it was able to stay focused on initiatives to increase efficiency and effectiveness.

### Keys to Success and Lessons Learned

A critical review of strategies and programs to ensure that they are the best means of achieving the agency's goals was cited as one key to success. Another is a review of performance targets to ensure that they reflect the continuous, incremental improvement that takes recent and planned activities into account.

NYC Transit has found that departments are sometimes reluctant to include programmatic activities in the strategic plan or to set ambitious targets for their performance indicators, in case these activities are not achieved. In part, the involvement of the president mentioned previously under Plan Implementation has helped to overcome this problem.

The respondent noted that to be effective, buy-in by the agency president and throughout the organization is required. Staff at all levels need to recognize the importance of meeting the program and performance targets that are established in the plan.

## TRANSIT AUTHORITY OF RIVER CITY

### Agency Description

TARC serves the greater Louisville, Kentucky region, which includes service in Jefferson and Bullitt counties in Kentucky and Clark and Floyd counties in Indiana. The population of the service area is estimated to be approximately one million. The system also serves the University of Louisville.

The agency operates approximately 285 regular buses and an additional 8 buses are operated by contractors. It also operates 9 paratransit vehicles, with an additional 74 operated by contractors. Riders make 16.5 million unlinked passenger trips on the system each year, with a total operating expense of \$41 million. A proposed light-rail service is currently in the preliminary engineering stage.

### Strategic Plan Document

TARC's strategic plan, TARC Strategic Plan FY2003–2004, was adopted at the end of FY 2002. It is interesting to note that

the TARC strategic plan uses a more informal and conversational style than most strategic plans, making it more engaging to readers. For example, the strategic plan is described as “our ‘owner’s manual’ reminding us to regularly check the pulse of our customers and team members alike and to periodically fine-tune our performance.” The plan contains the following key elements:

- Mission, vision, and critical success factors (an extension of the vision statement).
- Departmental objectives and strategies.
- A description and analysis of the agency’s internal and external environments, including a list of factors, then a discussion of them using “a better Louisville would look like . . .” type of model.
- A Long-Range Advanced Transit Plan, which is a detailed 5-year plan with a 15–20-year horizon.
- A capital improvement program.
- A Performance Plan that details the current year’s departmental performance objectives.
- A customer service analysis, a comprehensive study that includes input from riders, the general public, TARC board and staff, etc., and designed to identify the most “cost-effective, operationally sound, and customer-friendly” system of transit services possible.

### Plan Development

The TARC board initiated the current long-range strategic plan in 1994, with the creation of a new mission statement, critical success factors, goals, and strategies. Management quickly supported the idea. TARC has embraced strategic planning by implementing multiple outside stakeholder meetings and involvement regarding its future. The executive director believes that strategic planning has been “very useful” at the agency (a rating of 4 on a scale of 1 to 5).

TARC is currently placing special emphasis on customer focus, regionalism (by expanding service borders), new partnerships with the community, and new technology (e.g., by providing instantly available trip planning and scheduling information on their website). In 2004, TARC initiated a Comprehensive Customer Service Analysis called Project Gobility, which is a broad survey and public involvement initiative that will help identify TARC’s future direction. This project will update the last customer service analysis completed in 1996 and will involve union and nonunion employees in its implementation strategies.

TARC’s strategic planning and implementation process is overseen by the director of strategic management. The plan, which is updated annually, covers 5 years in detail with a broader 15- to 20-year horizon. Each year, the board and management have a 1-day retreat where they focus on a SWOT

analysis and environmental assessment. This lays the groundwork for development of the year’s specific performance plan. From there, TARC involves several community members—from grass roots organizations and average citizens to elected officials and local businessmen.

During the major 5-year planning effort, all the current processes are called into question, including taking all the routes off the board and deciding where they should be redrawn.

### Plan Implementation

The agency reports that it has been “fairly effective” at implementing the strategic plan (a rating of 3 on a scale of 1 to 5), and that it provides a good framework for the staff to work within. There is recognition that a plan is only effective if it is actually used by the organization. Therefore, in various ways, the agency focuses on it throughout the year.

The annual goals and objectives for each department are worked into employee performance appraisals and budget components to make sure the plan is implemented and continuously used. In addition, the board’s evaluation of the executive director is based on achievement of strategic plan objectives. The planning process is linked with all key organizational processes such as budgeting, capital programming, service planning, and performance measurement.

Performance objectives and milestones are jointly developed by department heads, the director of strategic management, and the executive director, and are monitored monthly. TARC compiles a monthly report highlighting progress in key performance areas (e.g., customer service, transportation, and maintenance). The performance report provides year-to-date performance data and comparison data for the previous calendar year. TARC’s management team reports progress toward overall performance objectives on a quarterly basis.

### Significant Benefits

TARC has experienced several significant benefits from its strategic planning efforts. First, in 2003, the agency won the Kentucky Psychology Association’s Psychological Healthy Workplace award for the second consecutive year, and the 2004 Labor–Management Award recognizing outstanding joint achievements of labor and management in the commonwealth of Kentucky. They are currently viewed as the “go-to solution leaders on public transportation issues in their region,” and according to the executive director, they are “clearly identified as part of the solution, not the problem.”

**Keys to Success and Lessons Learned**

The keys to success for TARC have been engagement and involvement—the executive director’s goal is to “get everyone’s thumb on the blade.” Another key was to make sure to “carve out time for strategic planning and then make it sacred,” a sentiment that is often echoed by other organizations. The executive director also provided the following observations:

- Look at the future with and without monetary constraints—“you have to be able to dream, but you also have to be real.”
- Keep checking and rechecking who is engaging and who is not engaging in the process.
- Celebrate accomplishments.

## CONCLUSIONS

This synthesis project was designed to address a number of key questions in regard to strategic planning and management in the transit industry. These questions, and a summary of information gathered to answer them with the conclusions reached, follow.

- Do the transit agencies have a formal plan or other elements of strategic management? Based on a random survey, strategic planning and management is conducted in some form by more than 80% of the agencies sampled. Consistent with previous studies (as well as with intuition), it is conducted to a greater degree by large agencies than by medium and smaller ones (100%, 90%, and 74% of those surveyed, respectively).

This level of strategic planning and management represents a significant increase from a study done in 1986, which found that well under one-half of the respondents were conducting what would normally be considered as true (“classic”) strategic planning. It also suggests a significant increase from a 1990 study (*NCHRP Report 331*) that found that not many publicly funded transportation agencies “seem to have a strong interest in or understanding of strategic management.”

Although strategic planning and management are quite prevalent among the agencies surveyed, there is a wide spectrum of planning methods used and planning documents that are produced. Only one agency reported that it did not have a specific plan document, but instead looked at various planning processes and related deliverables. However, each of the other agencies produced some kind of formal strategic planning document. Common components of these documents included a vision and/or mission statement, an internal and external environmental scan, the identification of strategic issues and/or initiatives, action plans, and performance measures. A few agencies included a description of their core values.

- How were the plans developed and implemented? The strategic plans were generally developed by internal staff over a period of several months. Consultants were sometimes used, usually when an agency was first beginning to undertake strategic planning, or more commonly as facilitators at planning workshops or management and/or board retreats. The most common length of time for the strategic planning process was 3 to 6 months. Most of the agencies took less than 12 months to complete the process.

Although specific planning practices varied greatly from agency to agency, there were a number of fairly common steps in their overall planning processes. These include:

- Creating an organizational vision and a vision statement.
- Developing a mission statement and goals and objectives.
- Identifying the organization’s core values.
- Conducting a “stakeholder” analysis (i.e., who are the important stakeholders and what are their interests or needs?).
- Assessing the organization’s external and internal environments to identify strengths, weaknesses, opportunities, and threats (a SWOT analysis).
- Identifying the key strategic issues facing the organization and formulating strategies to manage these issues.
- Developing an effective process for implementing and managing the strategic initiatives.
- Evaluating progress and making necessary mid-course corrections.

Two key implementation strategies were used in regard to strategic plan implementation. One was to make sure that the strategic plan was linked to the operating budget and capital programming processes. This helped to ensure that the resources necessary to support the plan would be available. The other key strategy was to link the plan to performance measures that created accountability for implementation and that allowed progress toward plan achievement to be tracked. One strategy used by several agencies was to link strategic plan achievement with the chief executive officer’s performance appraisal.

- What are the benefits of strategic planning and management? Strategic planning has demonstrated broad usage and staying power for several decades. This indicates that it is providing real value to organizations. Moreover, if TCRP’s New Paradigms project is correct (i.e., that fundamental change is needed in the transit industry in view of the substantial social, economic, and technological changes occurring in this country and beyond), it may be that strategic planning and management is not just important to transit organizations, but critical.

Survey respondents rated strategic planning as “very useful” to their agencies (a 4 on a scale of 1 to 5). They

cited numerous benefits, some general, some quite specific. Among the more general, respondents often remarked that the process was instrumental in creating a new vision for the agency, or in helping to give the entire agency a sense of direction. It helped several agencies become more customer oriented. It also encouraged staff and agency boards to have a more long-range view in decision making and priority setting. Similarly, it has helped several agencies to organize and foster a shared understanding of organizational goals and objectives, and enabled staff to work together more effectively.

Other internal benefits cited were that it allowed the agency to establish budget priorities, redirect staffing levels, and create more effective workflows. It was also used to restructure services to gain a more efficient use of resources or to expand existing services.

Strategic planning provided many external benefits as well. It increased external stakeholder (local government, the public, and local businesses) awareness and input, and resulted in greater stakeholder support. Also, it was used in conjunction with funding concerns and decisions. Specifically, strategic plans were used to justify a need to increase funding by indicating that the agency would need more resources than they currently have to meet the needs of the region. Finally, it helped define an agency's core role and responsibilities to the community.

- What were the drivers for creating the strategic plans? The most common driver for undertaking strategic planning was an internal decision by management. Almost as common was a decision by the agency board. In a few cases, there was an external impetus, such as a state law or a metropolitan government. Some specific reasons cited for undertaking strategic planning included:
  - A desire to link the operating budget, capital budget, and performance measures together.
  - A desire to drive change throughout the organization.
  - To help make a case for increased funding.
  - To focus on important issues facing the organization in the coming year.
  - To take a fresh look at how transit could develop in the region in order to attract new markets.
- What organizational roles were involved? What was the role of the oversight board? Most (80%) of the agencies have placed responsibility for strategic planning with specific departments. However, the organizational location varied considerably. The most common location (five agencies) was in the "executive office." Next most common (three agencies) was in a strategic planning department (e.g., strategic organizational planning). Four agencies had assigned the responsibility to more general planning departments or to administrative units such as human resources. Three organizations did not have responsibility assigned to a specific department.

Approximately one-half of the agencies reported that their strategic plans were approved by the agency board.

However, many agencies involved their boards in plan development as well; for example, by involving them in planning retreats or workshops. In some cases, the board provided policy guidance or broad goals at the beginning of the process and then left development of the plan to management and staff.

- What are the linkages to other organizational processes? Most of the agencies (more than 75%) indicated that they link their strategic plans to other key organizational processes, such as service planning, budgeting (operating and capital), financial planning, information technology planning, performance measurement, and organization development. However, there is substantial variation in terms of how well they think their agencies have accomplished this.
- Are there any measures of plan effectiveness? Overall, the agencies rated themselves between "fairly effective" and "very effective" in regard to implementing their strategic plans (a rating of 3.6 on a scale of 1 to 5). One of the ways the agencies determine their effectiveness is by linking their plans to performance measures and then monitoring and reporting performance monthly or quarterly.
- What lessons were learned? There were a number of lessons learned or keys to success cited by agencies in terms of making their strategic planning more effective.
  - Make the strategic planning process as participative as possible. Do not let the plan be developed by just the planning staff. Include not just internal staff but external stakeholders as well. A key method for getting buy-in and commitment to the plan is to involve people in its development.
  - Strategic planning by itself is not enough. The broader concept of strategic management is needed to ensure that strategic plans, no matter how good they are, get turned into action.
  - One way to encourage strategic management is to closely link the strategic planning process to other important business processes such as budgeting, capital programming, and performance measurement. To be accomplished, the plan has to translate into necessary resources, and monitoring is essential to ensure that plan goals and objectives are being achieved.
  - Defining the organization's core values can provide a beneficial context for the development of goals and strategies.
  - Make the plans and goals a stretch, but not so much so that they are unattainable.
  - Methods and techniques from the field of organization development can be a useful adjunct to the strategic planning and management process (e.g., process consultation, team building, leadership development, collaborative goal setting, and employee feedback surveys).
  - It can be very helpful to designate strategy "champions" that are responsible and accountable for the



- implementation of specific plan strategies, and to give them appropriate incentives for doing so.
- Good communication is key. People need to know what is being done, why, and what their role is.
- Tailor the planning process to the agency conducting it. One size does not fit all. A small agency will not need the same level of effort as a large, more complex one. Other factors to consider are the culture of the agency (e.g., formal or informal), the resources needed, and the time frame available.
- Recognize that change will be difficult and that it will take time and effort. Buy-in from staff and agency board is critical for strategic planning to succeed.
- A strategic plan is a living document that must be regularly updated.
- Are there any gaps in knowledge? Several possibilities for additional study are suggested here. In general, transit agencies are better at developing plans than they are at implementing them. Some agencies pointed out that they were just getting started with strategic planning or were still in a learning phase. More study of effective strategies and techniques for turning strategic plans into action could therefore be very beneficial.

Correspondingly, a key to making strategic planning effective is derived from linking strategic plans and processes to other key organizational processes such as budgeting, capital programming, and performance measures. Most of the agencies surveyed are doing this, but it is not clear without more analysis exactly what techniques are being used to do this or how effective they have been. Similarly, only a few agencies have made the attempt to drive their strategic plans down to the level of individual employees, particularly by making this a part of performance appraisals and/or compensation decisions. More study on this could be helpful. One possibility would be the development of a comprehensive and integrated system or model that would combine strategic planning, budgeting, capital planning, financial planning, performance measurement, and organization development.

Although most agencies incorporate some kind of performance measures in their strategic planning process, additional study of what specific performance measures are most appropriate and effective might be helpful. Another area for research would be in regard to techniques for accelerating the strategic planning process and more effectively involving multiple and diverse stakeholders, particularly external stakeholders. One such technique is the “future search conference,” a process that engages key stakeholders in a 2 to 3 day retreat that creates a vision of a desired future and then develops

strategies and action plans for achieving it. In regard to external stakeholders in general, it would be useful to know more about when to involve them and the best ways for doing so.

One issue this project did not address is the relationship of strategic plans to the Long-Range Transportation Plans and Transportation Development Programs that agencies develop in response to federal planning regulations. It is assumed that most of the agencies make some kind of linkage between the two planning processes, but it is not clear how or to what extent they do so. Relatedly, it is not clear to what extent the strategic plans address larger community issues such as sustainability, land use, and comprehensive regional planning. More study of these relationships could be worthwhile.

There is a tendency in planning to assume, either explicitly or implicitly, that the future will be pretty much like the past. There is a need for more planning that challenges the status quo, that “thinks outside the box,” particularly in this age of increasing uncertainty. One technique frequently used in the private sector as a strategic management tool is “scenario planning,” a planning methodology that develops several plausible future scenarios and then develops strategies for what the organization will need to do to respond to them. In addition, strategies can be created that will help the organization realize a particular scenario. Research into ways to combine this planning technique with more traditional strategic planning in the transit industry may be merited.

Finally, the TCRP New Paradigms study has suggested that fundamental change in the transit industry will be necessary if the industry is to be successful in view of the significant social, economic, and political changes in the world. This will require more than just traditional strategic planning, which is often more a matter of “doing things right” than a matter of “doing the right things.” Research into methods for effectively doing what Mintzberg calls “strategic thinking” might be valuable in this respect.

These ideas for further study also suggest a need for training; for example, how to do scenario planning, or creative and collaborative organizational “visioning.” There may be a need for training about strategic planning in general. Such training is not available through the National Transit Institute and it is not clear where a transit agency would go to learn how to do effective strategic planning. One suggestion is to consider creating a peer review team made up of transportation professionals who have executed a successful strategic planning process.

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## APPENDIX A

### Survey Respondents—Random Survey

State	Agency
Alabama	Birmingham–Jefferson County Transit Authority
Arizona	Sun Tran (Tucson)
Arkansas	Central Arkansas Transit Authority (Little Rock)
California	Visalia City Coach
Colorado	Eagle County Regional Transportation Authority
Delaware	Delaware Transit Corporation
District of Columbia	Washington Metropolitan Area Transit Authority (WMATA)
Florida	Broward County Division of Mass Transit
Idaho	Boise Urban Stages
Illinois	Champaign–Urbana Mass Transit District
Indiana	South Bend Public Transportation (TRANSPO)
Iowa	Ames Transit Agency (CyRide)
Kansas	Topeka Metropolitan Transit Authority
Kentucky	Owensboro
Louisiana	Regional Transit Authority (New Orleans)
Maine	Maine Department of Transportation, Office of Passenger Transportation
Maryland	Shuttle–University of Maryland Transit System
Massachusetts	Massachusetts Bay Transportation Authority
Minnesota	Anoka County Transit
Mississippi	Jackson Public Transportation Corporation (JATRAM)
Missouri	Bi-State Development Agency
Montana	Great Falls Transit District
New Hampshire	Cooperative Alliance for Seacoast Transportation (COAST)
New Mexico	City of Albuquerque Transit Department
New York	Westchester County Department of Transportation (Bee-Line System)
North Carolina	AppalCART
North Dakota	Fargo Metropolitan Area Transit System
Ohio	Butler County Regional Transit Authority
Oklahoma	Tulsa Transit/Metropolitan Tulsa Transit Authority
South Carolina	Transit Management of Spartanburg, Inc. (SPARTA)
South Dakota	Sioux Falls Transit
Tennessee	Metropolitan Transit Authority (Nashville)
Texas	Brazos Transit District
Virginia	Virginia Railway Express
Washington	Ben Franklin Transit
West Virginia	The Transit Authority (Huntington)
Wisconsin	Belle Urban System (Racine)
Wyoming	Southern Teton Area Rapid Transit (START)

## APPENDIX B

### Survey Respondents—Selective Survey

Agency	Responding Official/Office
Ann Arbor Transportation Authority (AATA)	Chief Executive Officer
Capital Area Transportation Authority (CATA—Michigan)	Assistant Executive Director
Capital District Transportation Authority (CDTA—NY)	Executive Director
Central Ohio Transit Authority (COTA)	Human Resources Specialist
Connecticut Transit	General Manager
Dallas Area Rapid Transit (DART)	Director, Strategic Planning & Quality Management
Greater Cleveland Regional Transportation Authority (GCRTA)	Executive Director, Office of Management & Budget
Hillsborough Area Regional Transit Authority (HARTline)	Chief of Staff
King County Metro Transit (Washington)	Transit Planner
Los Angeles County Metropolitan Transportation Authority (LACMTA)	Director, Strategic Organizational Planning
Madison Metro Transit (Wisconsin)	Transit General Manager
Metro-North Railroad (New York)	Vice President, Planning and Development
Metro Transit (Twin Cities, Minnesota)	General Manager
Metropolitan Transit Authority (Nashville, Tenn.)	Director of Planning
Milwaukee County Transit System (MCTS)	Transit Planner
MTA—New York City Transit	Manager, Strategic Transportation Planning
Pierce Transit (Washington)	Vice President, Operations and Development
Regional Transportation District (RTD—Denver)	Senior Manager of Systems Planning
Regional Transportation Commission of Southern Nevada (RTC)	General Manager
San Diego Association of Governments (SANDAG)	Senior Transportation Planner
Santa Clara Valley Transit Authority (VAT)	Chief of Staff
Transit Authority of River City (TARC)	Executive Director
Tri-County Metropolitan District (Tri-Met—Oregon)	General Manager
Washington Metropolitan Area Transit Authority (WMATA)	Assistant General Manager of Planning and Strategic Programs



## APPENDIX C

### Random Survey Questionnaire

#### Random (Telephone) Survey of Agencies

Contact:	
Phone:	
E-mail:	

No. of Vehicles (APTA):

Population:

Size:

Q1. How many vehicles does your agency operate?    &lt;100    100–500    &gt;500

Q2. Does your agency currently perform “strategic planning” (or a similar process by another name, such as strategic business planning or corporate planning)? (Note: the federally required transportation planning/TIP (Transportation Improvement Program) process is not considered to be strategic planning.)  
 \_\_\_ YES    \_\_\_ NO

Q3. Please indicate the content of the strategic planning product or document(s); e.g., does it include:

___ A vision statement?	___ The identification of strategic issues and/or initiatives?
___ A mission statement?	___ Recommendations?
___ An external environmental scan (e.g., opportunities and threats)?	___ Action plans, etc.?
___ An internal environmental scan (e.g., strengths and weaknesses)?	___ Performance measures?

NO:

1. Did your agency ever perform strategic planning?    \_\_\_ YES    \_\_\_ NO

2. Do you plan to in the future?    \_\_\_ YES    \_\_\_ NO

YES:

1. How frequently is it done? Less than annually \_\_\_ annually \_\_\_ years w/annual update \_\_\_ intermittently \_\_\_.

2. How many years does the plan cover? \_\_\_\_\_

3. What has been the single greatest benefit from your strategic planning efforts? \_\_\_\_\_

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4. What has been the most important lesson you have learned from the process? \_\_\_\_\_

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## APPENDIX D

### Selective Survey Questionnaire

#### Selective Survey of Agencies

The Institute for Transportation Research and Education, North Carolina State University, was selected to conduct a Synthesis project under the federal Transit Cooperative Research Program (TCRP). The purpose of the project is to look at the use of strategic planning and management in the transit industry. We will examine the extent of the use of strategic planning, the various methodologies that have been used, and how effective it has been.

*For the purposes of this survey, strategic planning is defined as a process used to define an organization's vision, mission, challenges, and opportunities; establish long- and short-range goals; guide business processes; and measure performance. It helps an organization anticipate the future rather than just reacting to it. It helps to integrate the organization's various activities and programs and to better align the organization with stakeholders. For example, when strategic planning is linked with stakeholder interests, budgeting, service deployment, and performance measurement, it can be a very powerful method for effective and efficient strategic management of an organization.*

**Note: this questionnaire can be filled out electronically and returned, or it can be faxed or mailed to the address below. There is a continuation sheet at the end of this questionnaire that can be used if necessary for your answers to the questions.**

Your name:	
Title:	
Name of agency:	
Phone:	
E-mail:	

Does your transit agency currently perform a strategic planning/management process (or a similar process by another name) or has it done so in the past? (This does not include the development of the federally-required Long-Range Transportation Plan/TIP.) \_\_\_\_ YES \_\_\_\_ NO

If you performed "strategic planning" in the past but no longer do so, please describe why the practice was stopped?

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***If you no longer perform strategic planning, you may stop here and return the questionnaire to:***

Jud Lawrie  
 Institute for Transportation Research and Education  
 North Carolina State University  
 Centennial Campus, Box 8601  
 Raleigh, NC 27695-8601  
 Phone: 919.513.3482  
 Fax: 919.515.8898  
 E-mail: jjlawrie@unity.ncsu.edu

## I. Plan Development

1. How long does your “strategic planning” process typically last from start to finish (with “start” being the beginning of the planning process and “finish” being the production and/or approval of the plan)? \_\_\_\_\_

2. If your process goes by another name than strategic planning, what is it called? \_\_\_\_\_

3. How frequently is a “strategic plan” developed?

- \_\_\_ Annually  
 \_\_\_ Every \_\_\_ years with an annual update  
 \_\_\_ Intermittently (please describe the frequency over the last five years): \_\_\_\_\_  
 \_\_\_ Other (please describe): \_\_\_\_\_

4. What is the time period (number of years) covered by your strategic plan? \_\_\_\_\_

5. What were the drivers for creating the strategic planning process? \_\_\_\_\_

6. Is there an external requirement that strategic planning be performed (e.g., state legislation), or is it an internal decision?

- \_\_\_ Internal decision  
 \_\_\_ Externally required (Note: federal planning requirements for a Transportation Plan/TIP are not considered a requirement for a strategic plan.)

- 6a. If an internal decision, who made it? (the board? management? other?) \_\_\_\_\_

- 6b. If externally required, who/what requires it? \_\_\_\_\_

7. Is there a specific department and/or individual that is charged with strategic planning responsibilities?

\_\_\_ YES \_\_\_ NO. If yes and this is not you, please provide the information below:

Individual's name: \_\_\_\_\_ Phone: \_\_\_\_\_

Title: \_\_\_\_\_

Department: \_\_\_\_\_

8. On a scale of 1–5, how useful do you think strategic planning has been at your agency:

- \_\_\_ 1 (Not at all useful)  
 \_\_\_ 2 (Somewhat useful)  
 \_\_\_ 3 (Fairly useful)  
 \_\_\_ 4 (Very useful)  
 \_\_\_ 5 (Extremely useful)

What is the basis for this opinion? \_\_\_\_\_

9. Who is involved in your process? (Check all that apply.)
- ☐ Board of directors
  - ☐ Executive management
  - ☐ Strategic planning staff
  - ☐ Other management
  - ☐ Line and staff departments
  - ☐ Other (please describe): \_\_\_\_\_
10. If the Board is involved, please describe its role: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
11. Does your process involve board and/or management retreats? ☐ YES ☐ NO  
 If yes, please describe briefly: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
12. Was a consultant used to help in the planning process? ☐ YES ☐ NO  
 If yes, please describe its role: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
13. Who approves your strategic plan? \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
14. Please indicate the content of the strategic planning product or document(s); e.g., does it include:
- ☐ A vision statement?
  - ☐ A mission statement?
  - ☐ An external environmental scan (e.g., opportunities and threats)?
  - ☐ An internal environmental scan (e.g., strengths and weaknesses)?
  - ☐ The identification of strategic issues and/or initiatives?
  - ☐ Recommendations?
  - ☐ Action plans, etc.?
  - ☐ Performance measures?
  - ☐ Other (please describe)? \_\_\_\_\_
15. What are the “keys to success” of your strategic planning process? \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
16. What pitfalls or obstacles have you typically encountered? \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
17. How have these pitfalls/obstacles been overcome? \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
18. What other lessons have you learned about performing strategic planning more effectively? \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

## II. Plan Implementation/Management

1. How do you move from planning to implementation? What happens to ensure that the plan is executed, that it becomes reality? \_\_\_\_\_

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2. What have been some of the significant impacts that the strategic planning process has had on your agency's direction, goals, priorities, or programs? Please describe at least three specific impacts where possible.

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3. On a scale of 1–5, how effective has your agency been at implementing strategic plan recommendations?

- ☐ 1 (Not at all effective)  
☐ 2 (Somewhat effective)  
☐ 3 (Fairly effective)  
☐ 4 (Very effective)  
☐ 5 (Extremely effective)

Please explain your answer briefly: \_\_\_\_\_

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4. Is the strategic planning process linked in any formal way to other key organizational processes? Please indicate which processes (Check all that apply.)

- ☐ Operations/service planning  
☐ Budgeting  
☐ Capital planning/programming  
☐ Financial planning  
☐ Information technology planning  
☐ Performance measurement  
☐ Organization development  
☐ Other (please describe): \_\_\_\_\_

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5. If your strategic planning process includes the use of performance measures, please describe how and by whom these are identified. \_\_\_\_\_

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6. Please list the most important performance measures used and, as appropriate, how/why they are used:

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### III. External Relationships

1. Please indicate if other agencies are involved in your strategic plan development or approval. (Check all that apply.)

	<u>Development</u>	<u>Approval</u>
MPO (metropolitan planning organization)	___	___
A regional transit agency	___	___
Municipalities and/or counties	___	___
Other (please describe):	___	___
_____	___	___

2. Please describe the involvement of any agencies checked above: \_\_\_\_\_

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### IV. Plan Evaluation

Is there any mechanism for evaluating the “success” of your strategic planning efforts? For example, is there a performance monitoring process that tracks whether the plan’s goals and objectives are being met? If so, please describe this mechanism briefly: \_\_\_\_\_

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Do you have any final comments that would help us understand your process better, its strengths or limitations?

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Finally, would you please send us a copy of your latest strategic planning documents, including the plan itself and, if available, any other pertinent documents such as instructions to participants, etc. (see address information on first page of survey).

**Based on responses to this survey, we plan to select from 3 to 5 agencies for more in-depth case studies. Would you be willing to serve as a case study if selected?    ☐ YES    ☐ NO**

*Thanks very much for your help!* If you have any questions, please feel free to contact me.

## **APPENDIX E**

### **Strategic Plan Examples**

The cover page, table of contents, and/or introductory section or summary of the strategic plans of the following agencies can be viewed at: <http://www4.trb.org/trb/onlinepubs.nsf>, under TCRP Synthesis Reports, 59.

1. Ann Arbor Transportation Authority
2. Capital Area Transportation Authority (Lansing, Michigan)
3. Dallas Area Rapid Transit (FY 2004 Business Plan)
4. Los Angeles County Metropolitan Transportation Authority
5. Madison Metro (Wisconsin)
6. Metropolitan Transportation Authority (New York)
7. Pierce Transit (Washington)
8. Regional Transportation Commission of Southern Nevada
9. San Diego Metropolitan Transit Development Board
10. Transit Authority of River City (Kentucky)
11. Washington Metropolitan Area Transit Authority (District of Columbia)



Ann Arbor Transportation  
Authority  
2700 South Industrial Highway  
Ann Arbor, Michigan 48104  
734.973.6500 734.973.6338 F  
<http://theride.org/>

December 1999

\*\*\*\*\*

To the Citizens of Ann Arbor,  
the Surrounding Townships, and Beyond

Dear Friends and Neighbors,

On behalf of the Ann Arbor Transportation Authority, we want to acknowledge and extend our appreciation to all the passengers, stakeholders, community leaders, and employees who gave their time and effort to help us develop "*Destination 2010*". The strategic planning document you have before you represents the collaborative efforts of thousands of hours of research, planning, discussing, and organizing that took place over a 12 month period.

*Destination 2010* is intended to provide a roadmap as AATA "drives the future" of public transportation in Ann Arbor, throughout the growing urbanized area, and into all areas of Washtenaw County and beyond. As the business, industrial, commercial and residential development of our area continues at a dizzying pace, viable transportation options will become increasingly important to support our dynamic region. AATA will continue to be the leader in facilitating mobility by providing options for safe, efficient, and reliable transportation to our community.

AATA welcomes you aboard. We hope this document will give you a better understanding of our plans for the future, and we appreciate any ideas or comments you may have. We're glad to have you along on our exciting journey toward *Destination 2010* as we work to make AATA "The Ride of Choice"!

James H. Saalberg, Chair  
Board of Directors of "The Ride"

Gregory E. Cook  
Executive Director of  
"The Ride"

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# **Capital Area Transportation Authority**

## **STRATEGIC PLAN UPDATE**

### **FY 2002 – 2007**

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Adopted  
October 17, 2001

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# FY 2004 Business Plan

(Including FY 2004 Annual Budget and Financial Plan)



BUS • RAIL • HOV • PARATRANSIT • VANPOOL



## Dallas Area Rapid Transit

### FY 2004 Business Plan

(Including FY 2004 Budget and Twenty-Year Financial Plan)



**INTEROFFICE MEMORANDUM**

DATE: August 8, 2003  
TO: Board of Directors  
FROM: Gary C. Thomas  
SUBJECT: Proposed FY 2004 Business Plan

I am pleased to present for your review and consideration DART's proposed FY 2004 Business Plan, including our Operating Budget, Debt Service Budget, Twenty-Year Financial Plan, and Key Performance Indicators. The Business Plan provides the Board, elected officials, and the taxpayers of our service area a comprehensive summary of our Agency's plans and commitments to improve regional mobility, enhance the quality of life, and stimulate economic development.

Responding to the economic downturn and its impact on receipts from the DART one-cent sales tax, the FY 2004 Business Plan reduces originally projected annual operating expenses by approximately \$37 million. This includes \$16 million in administrative and non-operating costs, \$15 million in bus service modifications, \$5 million in rail operating expenses, and \$1 million in program development expenses. Because of sales tax shortfalls during the FY 2003 Budget process, approximately \$1.4 billion in approved capital projects were deleted from the FY03 Draft Twenty-Year Financial Plan, and the Light Rail (LRT) Northwest and Southeast extensions were delayed two to three years. Due to the expected continuing economic downturn in FY 2004, it is anticipated that the LRT expansion will be delayed up to an additional year. Of course, the delay will depend on actual sales tax receipts.

DART's FY 2004 Operating and Capital P&D Budget has been reduced by \$37 million (11%) from the anticipated FY04 Budget and by \$19.7 million (6%) from the FY03 Budget -- from \$328.2 million in FY 2003 to \$308.5 million in FY 2004. This will be achieved through the implementation of early retirement programs, a scheduled reduction-in-force, bus service changes and the elimination of contractor provided bus service, and reduced rail service frequencies. This approach of reducing less productive service minimizes the impact to our customers while increasing the efficiency and effectiveness of our services. These reductions have assisted us in developing an FY 2004 Twenty-Year Financial Plan that depicts the affordability of our long-range Transit System Plan commitments.

As we implement these cost-saving measures, service quality will remain a high priority. DART has proven itself to be an industry leader and has, without fail, always met the challenges it has faced. The DART team is fully prepared for the necessary changes, and we are confident our organization will emerge stronger and more resilient.

Board of Directors  
August 8, 2003  
Page 2

The accompanying Business Plan details these changes, our priorities, financial and operational projections, as well as a variety of other important information about our agency. If you have any questions, please let me know.

Thank you for your leadership and input in this process.



Gary C. Thomas  
President / Executive Director

Enclosure



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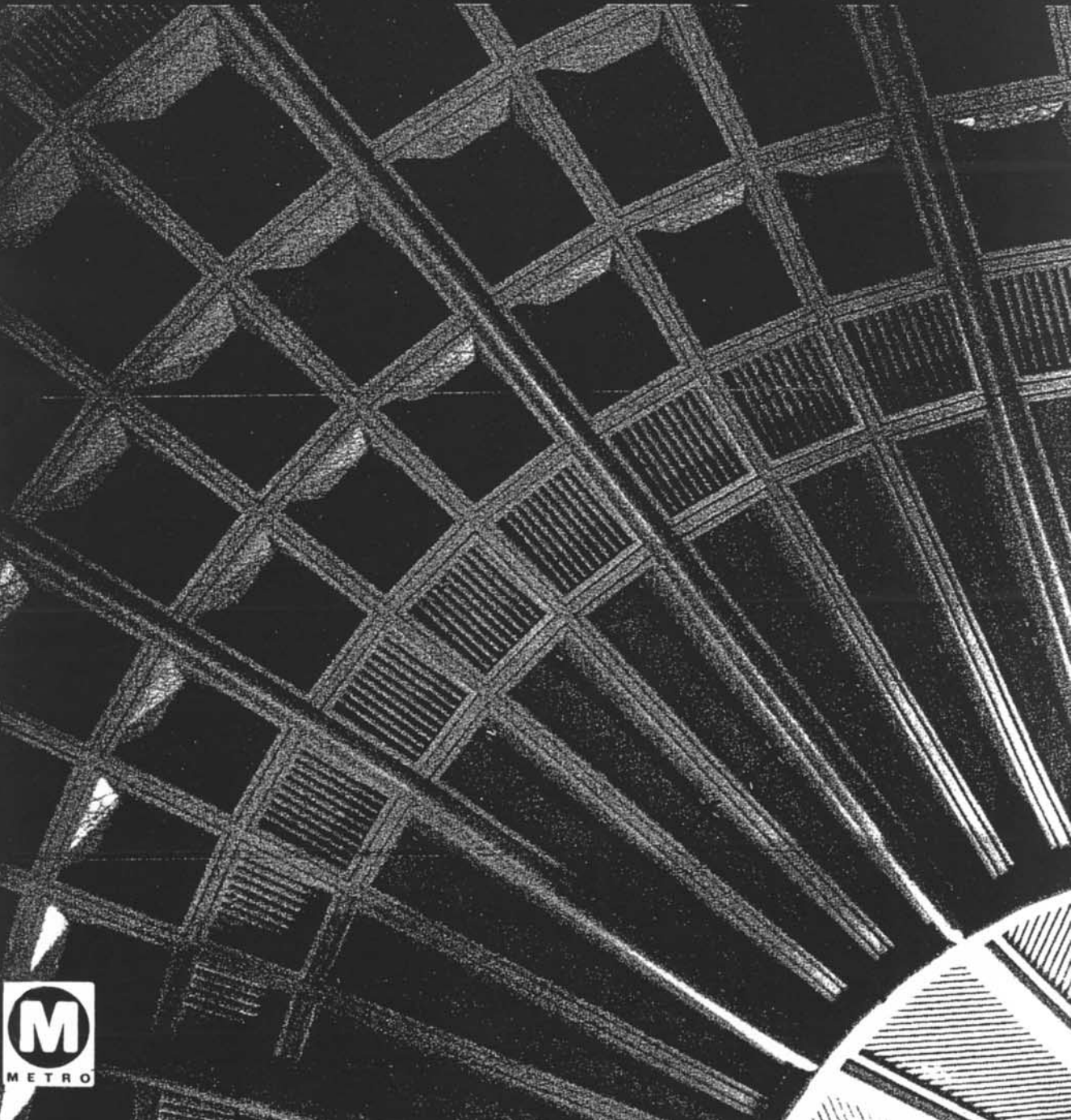
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Los Angeles County Metropolitan Transportation Authority

# MTA STRATEGIC PERFORMANCE PROGRAM FY2003 – FY2007



# Message from the Chief Executive Officer



I am proud to present the MTA's Strategic Plan which serves as an agency-wide blueprint and the foundation for how MTA will be "leading the nation in safety, mobility and customer satisfaction" from fiscal year 2003 through 2007.

This Strategic Plan provides a solid foundation for how this agency will meet LA County's future transportation needs. It summarizes the goals, objectives, strategies and action steps required for us to be successful. It defines where this agency wishes to be, what it does and how it will conduct its day-to-day business.

Given these realities, several strategic planning/team-building sessions were convened at my request to design a strategic plan. I asked that a new strategic planning approach be developed to enable both new and existing MTA leaders an opportunity to develop a common vision and a shared sense of purpose. Simply stated, the new strategic plan will enable this organization to speak with one voice, work better together as a cross-functional and integrated team, and establish accountability for individual and organizational performance.

By defining the agency's vision for the future, the strategic plan forms the basis for how each employee's individual role and responsibilities align to achieve the agency-wide mission, goals and objectives. In addition, a set of core values has been created to demonstrate the important values and beliefs that guide this organization's individual behaviors.

It is important to remember that nearly 9,000 employees make up the MTA team. As individuals and team contributors, we must aim to exceed the expectations of our customers and actively seek to blend our individual talents in order to be the best in the nation.

A stylized, handwritten signature in dark ink, appearing to read 'Roger Snoble'.

Roger Snoble  
Chief Executive Officer

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## About the cover:

*Ceiling, East Portal, Gateway Center.*

*Photographed by MTA Design Studio photographer, Richard Cornubert.*



## Metro 2004 Strategic Annual Plan (Final: 2/11/04)

**Goal #1: Increase Ridership** (Measure of goal: number of trips compared to previous reporting periods, combination of new riders & more use by present riders).

### Strategies:

#### A. Strategic redistribution of service hours

Review services on the Southwest side of Madison and Verona, on the west side in general - with particular attention to design of Middleton service, on the Southside (pursuant to southside listening session input), review remaining plans for service improvements on the east side (Phase II services), identify potential efficiencies in system services, establish priorities, and develop plans for the next round of strategic redistribution of service hours. Special consideration should be given to providing service to those populations whose needs are the greatest, including persons with disabilities, low-income families, students and those households that either by necessity or choice have no automobile available to them. Utilize a variety of tools: surveys, Automatic Vehicle Locators (AVLs)/Automatic Passenger Counters (APCs), and other methods to assist in identifying key boardings and debarkation points and established ridership patterns in designing proposals for service change. "Bathe" passengers in information about proposed service changes. Identify known issues for TPC review and discussion.

#### B. Service improvements, including

##### (1) Travel time improvements:

In the course of the above-mentioned review, identify opportunities to implement travel-time improvements through scheduling and interlining; and potential applications of signal prioritization at selected locations in the transit system's service area.

##### (2) Improved on-time performance:

- o Fixed Route: Begin to utilize AVL system to track actual travel time patterns and modify schedules route-by-route as data becomes available.
- o Paratransit: Pursue development of a computerized tracking system for on-time performance.

##### (3) Continued driver training and re-training program focused on good customer relations: Review and augment materials to keep program up-to-date according to system needs, develop materials and approaches for paratransit training and re-training, coordinate with Bicycle Federation in development of training brochure/materials for drivers and bicyclists, evaluate effectiveness of training program elements.

##### (4) Improved passenger amenities:

- (a) Increase access to maps and schedule information, including introduction of real-time schedule info at transfer points and other key boarding areas.
- (b) Promote use of Internet trip planner.
- (c) Explore possibility of introducing schedule info at key bus stops (where shelters are not located)
- (d) Introduce more passenger shelters and benches where budget allows.
- (e) Streamline approach to Transit Enhancement Program (contingent on continued funding from Feds):
  - o Emphasis on shelters, benches, and eligible Metro projects, with limited selections offered to applicants, allowing bulk purchases by Metro;
  - o cash contributions only for local share.
- (f) Capital maintenance for transfer points per established program schedule.
- (g) Continue bus stop sign replacement program
- (h) Continue improvements in customer access (bus stop pads, etc.) within limitations of budget

##### (5) Efficiencies in service delivery:

- (a) Continue discussion concerning possibility of on-campus transfer center w/UW - for mid-range planning purposes.
- (b) Discuss possibility of Middleton transfer point (formal or in-formal) with Middleton
- (c) Study possibility of demand-responsive or other alternative service to fixed routes on specific holidays.
- (d) where possible simplify schedules

##### (6) Passenger comfort:

Evaluate boardings over capacity/standing room only policy and approaches at mitigation.

#### C. More funded special events service, as possible

- (1) Discuss funding and fare subsidies w/UW Athletic Dept for Bucky shuttles.
- (2) Discuss funding and fare subsidies with appropriate officials for Rhythm & Booms.

-2-

D. Target marketing connected with service improvements, examples:

(1) For implemented services: Employers: Dean Clinic, Copps/Shopko, Airport, East Towne Mall businesses  
Residential areas: SE side

(2) For planned services - use of various tools to acquire input to planning processes. Examples:

- o Residential surveys
- o Employer surveys
- o Listening Sessions
- o focused passenger surveys (to specific routes, Transfer Points, etc.) for ridership patterns information
- o driver surveys
- o AVL/APCs for key boarding and debarkation information

E. Development of park and ride lots:

- (1) Pursue construction of Park & Ride improvements for NTP Park & Ride, with goal of 2004 spring start/completion of work;
- (2) Identify ETP park & ride site, negotiate purchase or capital lease, with goal of 2005 spring start/completion of work;
- (3) Pursue funding sources for Alliant Energy Ctr. (Expo) park & ride site for 2005 capital plan, negotiate agreement with County for park & ride site, with goal of 2006 spring start/completion of work;
- (4) Explore possibilities of park & ride sites in vicinity of WTP and STP and at other appropriate sites along key transit corridors - to attract new transit markets.

F. Promotion of commuter choice and pass subsidy programs:G. Development of an RFP and solicitation of bids for new passenger fare collection system.H. Continued active involvement in land use planning process:

I. Active participation in Transport 2020#2 study process concerning alternative mode discussions with Board and at Tech Committee levels. Keep TPC aware of discussions/sentiment expressed at Transport 20/20 meetings and sub-committee meetings about regionalizing the transit system. (TPC Chair to do so as well as she is a member of Transport 20/20).

J. Continued breakout of customer feedback input by topic - for analysis and input into service design, employee training programs, applications to discipline, etc.

K. Continued discussions with Sun Prairie, discussions with McFarland and any other community evidencing interest concerning expansion of transit service area.

**Goal #2: Reduce Costs**

**Identification of major cost items:** labor, fuel, utilities, contractual services.

**Strategies:****A. For all services:**

- (1) Control of overtime through scheduling routines, assignment of extra sections, and continuous hiring program;
- (2) Monitor absenteeism, discipline for abuse.
- (3) Work to maintain positive employee morale
- (4) Work to obtain labor contract improvements
- (5) Work to control fuel costs and efficiency
- (6) Pursue efficiencies in service delivery through:
  - o Strategic redistribution of service hours. See 1 (A) above.
  - o Alternative types of services. See 1 (B) (5) (c) above.
  - o Travel time improvements through conversion of down time to travel time, use of signal prioritization, upgrading schedule time information through AVL technology information.



B. In paratransit services:

- (1) Develop opportunities for more competition in contractual services
- (2) Encourage migration from paratransit to transit services through training program
- (3) Conduct Attendant training, coordination with other agencies
- (4) Maintain templates for paratransit subscription services for increased efficiency in scheduling, and increase the number of templates to the extent possible.
- (5) Boost productivity as measured by rides/hour

Goal #3: Increase Revenues Sources

Strategies:

- (A) Increase contracting partners:
  - (1) 2004 - continued emphasis on Monona
  - (2) 2004 emphasis on Verona for implementation in 2005
  - (3) Initiate contact w/McFarland.
  - (4) Discuss expansion to other municipalities and entities as opportunities arise
- (B) Look for opportunities to partner with more special event service buyers
- (C) Identify potential additional governmental/non-governmental sources
- (D) Look for additional advertising revenue possibilities
- (E) Investigate further use of fleet off-peak to generate revenue
- (F) Pursue fee assessments from developers et al for boarding pads and other passenger amenity improvements
- (G) Work with TDM programs to enhance ridership/revenue.

Goal #4: Increase operational efficiency

Strategies:

- (A) Make capital improvements in facilities to maximize efficiency of organization and provide better support for its functions
  - (1) Go out to bid for start/completion of Needs Assessment Study for Admin., Operations, & Maint. Facilities in 2004.
  - (2) Incorporate refinements of capital plans in budget process,
  - (3) Acquire (by purchase or lease) facility for use by Bldgs and Grounds, renovate facility as appropriate, re-locate Bldgs. & Grounds personnel, functions, equipment, and supplies to new facility, and such other functions/personnel as is feasible/appropriate.
- (B) Pursue staffing improvements in Budget plans as identified in Five Year Staffing Plan to provide support for transit system programs, with emphasis on staffing support for advanced IT programs.
- (C) Implement advanced software programs to support operations, maintenance, planning, marketing/customer relations, and financial work programs.
- (D) Adhere to aggressive implementation schedule for introduction of ITS elements associated with Siemens Contract:
  - (1) Continue staff preparation for introduction of ITS elements in the course of 2004
  - (2) integrate on-time performance data in route schedule making
  - (3) integrate APC boarding/alighting data in service planning and data reporting
  - (4) integrate real-time schedule info in customer service information on websites, on signage at key boarding points, by phone, and via hand held devices;
  - (5) integrate monitoring of data of conditions of engine & fluids into on-going Maintenance processes;
  - (6) introduce automated annunciation at designated stops in fixed route service
  - (7) Modify dispatch office procedures as necessary to accommodate the introduction of automated dispatching software (Trapeze Ops) and ITS applications (Siemens).
- (E) Obtain new passenger fare collection system:
  - (1) Review options for data/fare collection systems
  - (2) Develop RFP and go out to bid, with goal of acquiring and implementing new system in 2004.
- (F) Study possibility of using new small buses for transit, flex-route, and demand-responsive applications
- (G) Update criteria for placement of shelters, benches
- (H) Alternative Fuels: Update plans concerning alternative fuels.
- (I) Develop 3-5 "benchmarks" from among "success indicators", "performance indicators", etc.



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**Goal #5: Increase Security/Improve Security Preparedness**

- A. Implement Security Improvements identified in capital plan: building signage and doors.
- B. Continue Security/Emergency planning exercises for identification of elements to be improved in emergency planning and security/emergency procedures.
- C. Update Security Plan to address role of transit operators in managing security incidents and responding to emergencies and responding to emergencies.
- D. Identify and implement further security improvements related to fleet, computer system, communications, facilities, including back-up facilities in event main facility becomes unavailable or fleet is destroyed.

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# **Strategic Business Plan**

## **2004-2008 Update**



**Metropolitan Transportation Authority**

New York City Transit  
Long Island Rail Road  
Long Island Bus  
Metro-North Railroad  
Bridges and Tunnels  
Capital Construction Company

December 2003

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**Katherine N. Lapp**  
Executive Director and  
Chief Operating Officer



## **Metropolitan Transportation Authority**

State of New York

December 19, 2003

Honorable George Pataki  
Governor of the State of New York  
Executive Chamber  
Albany, New York 12224

Dear Governor Pataki:

I am pleased to present an update of the Metropolitan Transportation Authority's 2004-2008 Strategic Business Plan (SBP).

In February of this year, MTA submitted to you the 2003-2008 SBP in compliance with Section 1269(d) of the New York State Public Authorities Law. The enclosed report updates the Goals, Strategies and Tactics of the February submission.

This update coincides with the commencement of the 2004 celebration of the 100th anniversary of the New York City subway system. Together with the bus, commuter rail, bridge, and tunnel systems that comprise the MTA, the subway system has helped to build New York into the world capital it is today. The 2004-2008 Strategic Business plan reinforces the MTA's commitment to New Yorkers by building on past successes and ongoing investments in its facilities and operations.

During the plan period, the MTA Capital Construction Company, created as part of an initiative to restructure the MTA along functional lines, will advance your vision of enhanced regional mobility and support your commitment to the revitalization of Lower Manhattan by construction of the East Side Access, Fulton Street Transit Center and new South Ferry Terminal Station projects. The MTA will also progress the Second Avenue Subway and westward extension of the #7 line.

This Strategic Business Plan is also designed to ensure continuous improvement in the areas of safety, customer satisfaction, and efficiency. This program is the MTA's path to excellence, attracting new customers and responding to the needs of region.

Safety is central to the MTA's mission and the current plan demonstrates a sustained commitment to the All-Agency Safety Initiative's focus on reducing employee injury rates. Through the initiative, the MTA agencies have experienced over a 50% decrease in their employee lost time injury rates since 1996. The All-Agency Safety Initiative, coupled with customer safety initiatives, has also yielded a reduction in customer injuries of nearly 40% since 1996. Operating

*The agencies of the MTA, Peter S. Kalikow, Chairman*

MTA New York City Transit   MTA Long Island Rail Road   MTA Long Island Bus   MTA Metro-North Railroad   MTA Bridges and Tunnels

Governor Pataki  
Page 2  
December 19, 2003

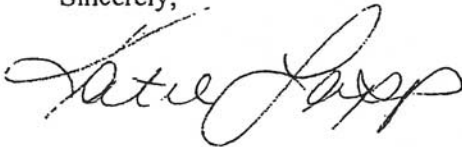
and capital programs contain initiatives that use technology to improve operator training, signal systems, and roadway information, thereby enhancing customer safety in stations, on trains and buses, and in MTA bridges and tunnels.

During the plan period, MTA agencies will improve the customer environment by: purchasing new trains and buses; upgrading and cleaning fleets and stations; expanding service capacity and efficiency; rehabilitating facilities and infrastructure; introducing technological improvements; and enhancing customer service and information. Operational programs such as service enhancements, improved maintenance and cleaning, and easy fare payment promise further gains in customer satisfaction. In addition to the major system expansion projects, the agencies will build upon their existing infrastructures to increase the capacity and speed of their operations.

The path forward requires creative solutions in order to maintain New York's competitive position in the national and global economy. A world-class city needs a transportation network that functions safely and efficiently and that meets the needs and expectations of its riders. The 2004-2008 Strategic Business Plan will apply the resources available to it to maintain its commitment to the people of New York and to continuously improve these services.

Thank you for your past and continued support of our efforts.

Sincerely,

A handwritten signature in dark ink, appearing to read "George Pataki", written in a cursive style.



In 2004, the MTA celebrates the 100th anniversary of the New York City subway system. The early system and its subsequent expansion helped to create new neighborhoods throughout the city and brought people from their homes throughout the city's boroughs to jobs, shopping, and entertainment, shaping the development of New York as the country's largest city and financial capital. Similarly, Long Island Rail Road and Metro-North Railroad fostered development out to Montauk and up to Poughkeepsie by providing easy access to New York City. The daily operations of New York City Transit Bus, Long Island Bus, and MTA Bridges and Tunnels move millions of riders and hundreds of thousands of vehicles over New York streets, bridges, and tunnels. The New York City region simply would not be what it is without the services provided by the MTA family of agencies.

Since the creation of the MTA thirty-six years ago, the MTA has worked in partnership with New York State, New York City, the Federal government and its millions of daily customers to revitalize its critical resources through both capital investment and ever-improving operations. The MTA will continue to fulfill its commitment to New Yorkers by building on past successes through investments in its facilities and operations. The MTA's 2004 Final Proposed Budget projected spending \$3 billion in capital commitments and \$7.1 billion in operations that will serve more than 2.3 billion riders and almost 300 million vehicles crossing its bridges and tunnels.

## Accomplishments to Date

Looking back, the MTA faced daunting challenges in sustaining its agencies through difficult economic times. Years of fiscal crisis and under-investment in New York's transportation infrastructure led to declining ridership and jeopardized the MTA's role as catalyst for the region's economic development. Facing the threat of systemic collapse, the MTA rose to the challenge and developed a consensus to save the transportation network through a series of financial and capital plans beginning in 1982. Just reclaiming the long-neglected network required 10 years and \$16 billion in capital funds. Over the next 10 years another \$18 billion was spent to continue the restoration work, advance new technologies, and expand the capacity of the network. By the end of 2003, the MTA will have committed a total of nearly \$45 billion to accomplish these goals.

Over the past twenty years, the MTA has purchased nearly 6,000 railcars and over 7,500 new buses. Graffiti was eliminated from the subways and buses. All the buses were equipped with air-conditioning and wheelchair lifts. More than 145 subway stations were reconstructed or upgraded and Grand Central Terminal was restored to its original grandeur. Enhanced cleaning programs and better customer amenities improved the quality of customers' experience both at stations and on board trains and buses. At the same time, investments were targeted at parts of the system that customers rarely see, but which are no less important for safety and reliability. New York City Transit (NYCT) brought every mile of subway track to a state of good repair. Crucial infrastructure throughout the MTA's network was rebuilt, outdated maintenance facilities replaced, and power and signal equipment upgraded.

While recovering lost ground, the MTA broke new ground with service expansions and technological innovations. For the first time in over 40 years, new subway service was created through the completion of the 63rd Street Connector in Queens. Metro-North Railroad's extension of the Harlem Line from Dover Plains to Wassaic represented its first system expansion in more than 50 years.



Technology advancements brought the region the MetroCard automated fare collection system and the E-ZPass electronic toll payment system. MetroCard made possible free transfers between subways and buses and the introduction of daily, weekly, and monthly passes that reduced average fares. New, easy-to-use ticket vending machines and expansion of the WebTicket program for the commuter rail systems make it easier for customers to purchase tickets. In Grand Central Terminal, waiting times to purchase tickets have decreased 60%. Today, over two million customers save time and money using E-ZPass. Bridges and Tunnels' (B&T) facilities would not have been able to accommodate a traffic increase of 35 million vehicles, or 13%, without the E-ZPass system.

## **The Path Forward**

Previous capital and operating investments have yielded results in both the quantity and quality of the services the MTA provides its customers. MetroCard and E-ZPass have changed the way New Yorkers think about their travel options. More people are using mass transit than in the past, yet congestion remains a major challenge for our region. Improved service, safety, reliability, facilities, and equipment have led our customers to expect more from us in the future. The path forward requires creative solutions to these challenges in order to maintain New York's competitive position in the national and global economy. A world-class city needs a transportation network that functions safely and efficiently while meeting its customers' needs and expectations. These goals are built into the 2004-2008 Strategic Business Plan. Through this plan, the MTA will maintain its commitment to the people of New York by applying the resources available to it to continuously improve its services.

## **System Expansion**

An important component of MTA's plan for the future calls for unprecedented system expansion projects designed to significantly increase regional mobility. Construction is underway on the East Side Access Project. Once completed, East Side Access will bring Long Island Rail Road (LIRR) trains into Grand Central Terminal, saving as much as 40 minutes a day on the round-trip commute of more than 76,000 daily customers. The Federal Transit Administration (FTA) is expected to complete its environmental review of the Second Avenue Subway by February 2004. This milestone will allow the project to proceed with design and construction. MTA is also working closely with New York City on extending the 7 subway line to Manhattan's west side to enhance the business area in and around the Javits Convention Center. And, of course, MTA continues to work with the Lower Manhattan Development Corporation and the Port Authority to develop new transit facilities downtown, such as the new Fulton Street Transit Center and South Ferry Terminal Station, that will enhance redevelopment efforts.

The MTA Capital Construction Company has been created to better handle the major system expansion projects, such as East Side Access and Second Avenue Subway. Its creation is part of a larger initiative to restructure the MTA along functional lines. The restructured MTA will comprise five new companies, each dedicated to a single core function: capital construction, commuter rail, subway, bus, and bridges/tunnels. When details of the restructuring are developed, a multi-faceted strategy will be included in future Strategic Plans.



## Continuous Improvements

The MTA must also maintain and enhance its achievements of the past decade with a program of initiatives designed to ensure continuous improvement in the areas of safety, customer satisfaction, and efficiency. This program, along with system expansion and reorganization, is the MTA's path to excellence, attracting new customers and responding to the needs of the region.

## Safety

Every day of the year and every hour of the day, the MTA's employees work to provide an ever-safer environment for both its customers and employees. Through the All-Agency Safety Initiative, the MTA agencies have experienced over a 50% decrease in their employee lost time injury rates since 1996. The Initiative continues with an enhanced commitment to safety reflected in two approaches. LIRR, Metro-North, and LI Bus are participating in DuPont's innovative "Safe Returns" program, and are expected to further reduce their employee accident rates. NYCT and B&T are using DuPont consultants on a more targeted basis to reduce employee accidents. NYCT will develop and implement a proactive "root-cause" behavior modification-based initiative to reduce on-the-job injuries, while making a computer-based Right-to-Know safety-training program available to NYCT Buses employees 24 hours per day. B&T will implement Safety Action plans at each of its facilities and extend responsibility for performing safety audits to all uniformed represented supervisors.

The All-Agency Safety Initiative, coupled with customer safety initiatives, has also yielded a reduction in customer injuries of nearly 40% since 1996. In 2004-2008, programs to improve customer safety include LIRR's strategy to promote safety during construction at Jamaica, LI Bus's bus operator retraining, B&T's Intelligent Transportation Systems (ITS) implementations, and NYCT's signal system improvements. MTA agencies will make increased use of technology to prevent customer accidents. Long Island Bus (LI Bus) will initiate, and NYCT will expand, the use of simulators that will train vehicle operators in accident avoidance. B&T will use Geographic Information System and ITS technologies to analyze accident patterns and provide motorists with real-time information on roadway conditions.

## Customer Satisfaction

During the plan period, all MTA agencies will improve the customer environment by: purchasing new railcars and buses; upgrading and cleaning fleets and stations; expanding service capacity and efficiency; rehabilitating facilities and infrastructure; introducing technological improvements; and enhancing customer service and communications.

The procurement of new railcars and buses remains an important part of MTA's strategic approach to improving customer service. During the plan period, NYCT will take delivery of 740 new subway cars and 683 buses. NYCT will take advantage of advances in vehicle design to run environmentally cleaner buses. LIRR will receive 148 new M-7 cars and up to 352 additional cars by 2006. LIRR will also overhaul 52 pairs of M-3 cars and improve customer comfort with more reliable HVAC systems on board trains. Metro-North will receive 336 M-7 cars through 2007, as well as 65 new Comet V coaches in a joint procurement with New Jersey Transit. LI Bus will receive 71 buses and increase the number of full interior cleanings per day. Maintenance and storage facilities will be enlarged, improved, and added to accommodate the larger fleets.



Major station improvements include renovations at Jamaica Station and Atlantic Terminal as well as 68 subway stations including Times Square and the Stillwell Avenue Terminal. During the plan period, Metro-North will complete rehabilitations of nine stations from Morris Heights to Greystone on the Hudson Line. The work includes significant rehabilitation and/or replacement of station and platform elements (e.g., platforms, overpasses, stairs, etc.) and includes raising the height of overpasses to improve clearances for freight access. LIRR will support JFK AirTrain by improving Jamaica Station with new elevators, escalators, a people mover and portal mezzanine while keeping this critical station in use and minimizing customer inconvenience. LIRR will complete the rehabilitation of 2,100 parking spaces and add 500 new parking spaces. Once complete, the joint NYCT-LIRR reconstruction of Atlantic Terminal complex will transform Brooklyn's largest rail and subway station into a modern, customer-friendly transit hub and major retail destination.

To improve service for customers with disabilities, NYCT will complete accessibility improvements at 25 stations and upgrade paratransit services through more versatile scheduling software, new service strategies, and the development of Automated Vehicle Locator and Interactive Voice Response systems.

In addition to the major system expansion "megaprojects", the agencies will build upon their existing infrastructures to increase the capacity and speed of their operations. B&T will improve traffic flow at several of its facilities through toll plaza enhancements. Additionally, B&T will develop a master plan for physical and operational improvements for the next decade and outline the steps needed to achieve it. LIRR's signal upgrade along the Montauk Branch will not only increase safety, but also raise the maximum allowable train speed from 65 to 80 miles per hour. Metro-North will expand service capacity by adding a third track on a portion of the Harlem Line. Additionally, Metro-North will target stations for development as intermodal hubs and work with other agencies to explore ways of enhancing public transportation service in the region.

The introduction and use of technology is central to the MTA's strategy for increasing the capacity of its systems, operating more efficiently, and improving customer service and communication. NYC Transit will continue and accelerate the introduction of new technology into the nation's second oldest subway system with the installation of Automatic Train Supervision (ATS) and Communications-Based Train Control (CBTC). ATS will provide the subway control center with real-time information about the location of all trains. Both ATS and CBTC will provide real time information in concert with new public address improvements PA/CIS and a new telecommunications network. This knowledge will allow personnel at the center to react more effectively to emergencies. Personnel will also relay information about delays to customers at stations. The Federal Transit Administration is funding the first large-scale application of CBTC in the U.S. on NYC Transit's Canarsie (L) line in Brooklyn. CBTC uses computers to automatically maintain safe distances between trains. By allowing trains to run closer together and permitting more passengers to move throughout the system, CBTC increases capacity without having to build new lines. The Canarsie pilot project will be completed in late 2004 and will establish the standard for CBTC for the entire nation.

Intelligent Transportation Systems such as LI Bus's Automatic Vehicle Locator, Metro-North's Train Performance Analysis System (TPAS), NYCT's real-time information displays, and B&T's traffic management system will be used to increase the efficiency of operations and improve the quality and quantity of information provided to customers. The MTA agencies will also improve communications with their customers through variable message signs, Braille and tactile signs, and public information concerning major projects. The MTA will continue to refine and improve the newly implemented



FAQ and customer feedback features of its web site and the ready availability of performance and financial indicators on the web. In 2004 the MTA will develop features to make the website compliant with New York State guidelines for full accessibility to visually impaired users. LIRR will expand its public address system and improve its capabilities with digital technology that enables visual displays.

Improvements in fare media technology will increase customers' convenience. The continued deployment of new, easy-to-use, ticket vending machines and promotion of the WebTicket program for the commuter rail systems will make it easier for customers to purchase tickets and further reduce ticket lines. NYC Transit will expand the use of MetroCard to other transit providers, such as PATH and AirTrain, making it more convenient for regional travel. The increasing interoperability of E-ZPass throughout the eastern United States will enhance the usefulness of this technology for B&T customers.

No less important for customer satisfaction are capital projects that maintain assets in a state of good repair and replace assets that have reached the end of their useful life. While a great deal has been accomplished since 1982 to restore the MTA network, there is much that remains to be done. Ongoing normal replacement and maintenance of railcars, buses, and infrastructure such as track, power, and signal equipment will always constitute a substantial portion of capital projects. For our customers, these translate into a transportation network that is swifter, more efficient, and more reliable.

## **Cost Effectiveness**

The MTA is operating in difficult financial times. Pension, benefit, and debt service costs will be major factors contributing to budget deficits expected to total \$839.7 million in 2005, \$1.34 billion in 2006, and \$1.45 billion in 2007. The cost effectiveness strategies outlined in this Plan will not suffice to close this gap. Additional public investment will be required to maintain current service levels and fund the safety and customer satisfaction initiatives contained in this Plan. Nevertheless, these strategies should serve to demonstrate that the MTA takes its fiscal responsibilities seriously and can be relied upon to manage public funds with maximum efficiency.

The MTA continues to identify and implement new efficiencies while providing service that is safe, reliable, comfortable and convenient. MTA agencies will intensify efforts to deploy staff more efficiently. NYCT will reorganize and merge responsibility centers with similar functions and increase productivity in bus maintenance. B&T will review requirements for staffing toll lanes to identify ways to provide more efficient coverage.

Agencies are finding efficiencies using technology to achieve operating cost reductions. NYCT, LI Bus, and LIRR will improve operational efficiency by replacing existing manual processes for generating schedules with new software applications. B&T will develop a computerized preventive maintenance program that will extend equipment life, reduce life cycle costs, and improve utilization of existing staff. Through the expanded use of localized wireless networks and sharing of existing regional wireless networks, B&T will reduce communication and administrative costs. LI Bus will implement new management systems for maintenance, inventory, procurement, and finance.

Agencies will pursue energy efficiency and improved fleet maintenance as means to reducing operating costs. NYCT, LIRR, and Metro-North will study the feasibility of procuring energy-efficient equipment and using flywheel energy storage devices to conserve traction power. Metro-North will investigate the

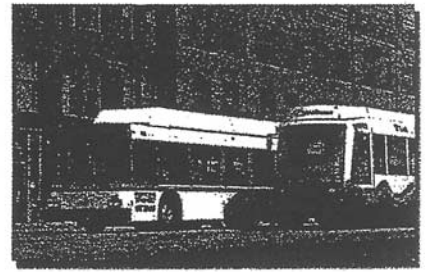
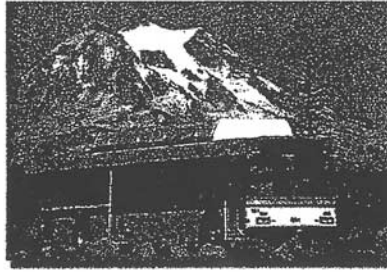
use of recovered fuel to heat its facilities. Both Metro-North and LIRR will seek to lower electrical consumption both in their buildings and by trains in yards.

The MTA agencies have also included strategies to increase ridership and revenues by increasing market share and identifying connecting services. LIRR will increase market share and revenues by attracting customers to utilize LIRR as a link to AirTrain through an aggressive marketing plan and optimization of stopping patterns. Metro-North will promote special packages and rates for groups and in connection with Broadway shows and other attractions. Non-passenger revenues will also be increased through tactics such as maximizing parking revenue and increasing commissary opportunities.

## **Conclusion**

The strategies detailed in this Plan reflect the MTA's priorities of safety, customer satisfaction, and cost effectiveness. The MTA's pursuit of improvement in these goal areas has been instrumental in its remarkable turnaround over the past two decades. Now, these priorities are no less relevant for mapping the MTA's future direction. Through the strategies described in this plan, the MTA will build upon its success in ways that continue to attract new customers and benefit the New York region's economy.

## Strategic Business Plan 2004-2009



P I E R C E T R A N S I T





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**REGIONAL TRANSPORTATION COMMISSION  
OF SOUTHERN NEVADA**

**STRATEGIC PLAN**

**September 2002**

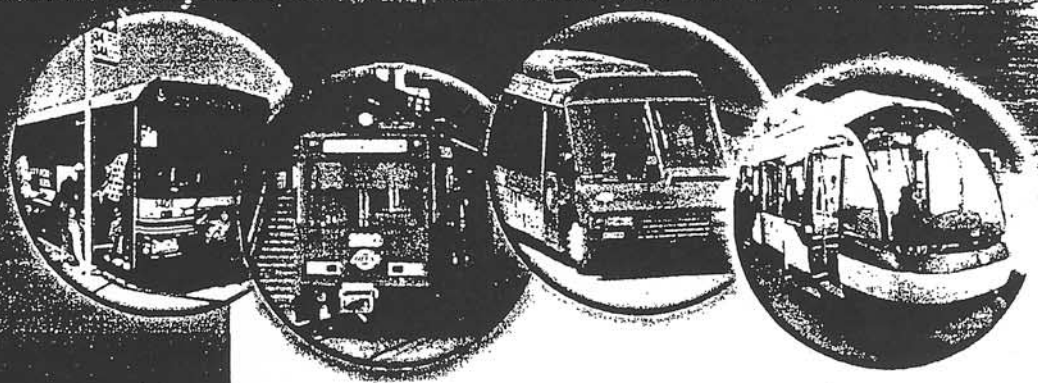
# INTRODUCTION

The Regional Transportation Commission of Southern Nevada (RTC) is a multi-faceted agency, and any planning process needs to span across the entire spectrum of services. This Strategic Plan does just that, and also maps out hopes and dreams for the future. The document contains Background (What is a Strategic Plan, History, Stakeholders, Strengths, Problems), Mission, Vision, Philosophy and Values, Short-range Plan and Long-range Plan. The Plan results from contributions and ideas of employees and of community partners who are vested in the future of transportation in Southern Nevada.

These stakeholders asked strategic questions, i.e. questions about how to shape the future of the RTC. Questions such as, what is our role as an agency? How does our transit system compare to other systems nationwide? How can we improve air quality? How can we reduce traffic congestion? How can we improve traffic flow? The answers to these questions provide a basis for decision-making. It is our hope that this planning process fosters a unified direction of where the agency is going and creates a road-map of how to get there.



# TransitWorks



An innovative strategy developed by the San Diego Metropolitan Transit Development Board (MTDB) for increasing the role public transportation plays in meeting our region's mobility needs over the next 20 years.

January 2001





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## TransitWorks Strategic Plan Report

January 2001

Prepared by

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*The contents of this report reflect the views of the authors, who are responsible for the facts and the accuracy of the data presented herein.*

*The contents do not necessarily reflect the official views or policy of the United States Department of Transportation. This report does not constitute a stand, specification, or regulation.*

# TransitWorks




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# TransitWorks





***Transit Authority of River City***

## Strategic Plan



**FY 2003 - 2004**

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# WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY Routes to the Future: A Strategic Plan



October 2002



### **WMATA vision statement**

The vision for WMATA's future is a fully integrated regional system, maintained in a state of good repair, that brings high quality, reliable service to customers who benefit from transit access across the region.

### **WMATA mission statement**

We are committed to being an integral part of the Washington metropolitan area by ensuring the best in safe, reliable, cost-effective and responsive transit services, by promoting regional mobility and by contributing toward the social, economic and environmental well-being of our community.

### **WMATA strategic goals**

SERVICE QUALITY AND RIDERSHIP GROWTH

SAFETY AND SECURITY

BUSINESS MANAGEMENT

REGIONAL ROLE

NATIONAL RELATIONSHIPS



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Abbreviations used without definitions in TRB publications:

AASHO	American Association of State Highway Officials
AASHTO	American Association of State Highway and Transportation Officials
APTA	American Public Transportation Association
ASCE	American Society of Civil Engineers
ASME	American Society of Mechanical Engineers
ASTM	American Society for Testing and Materials
ATA	American Trucking Associations
CTAA	Community Transportation Association of America
CTBSSP	Commercial Truck and Bus Safety Synthesis Program
DHS	Department of Homeland Security
FAA	Federal Aviation Administration
FHWA	Federal Highway Administration
FMCSA	Federal Motor Carrier Safety Administration
FRA	Federal Railroad Administration
FTA	Federal Transit Administration
IEEE	Institute of Electrical and Electronics Engineers
ITE	Institute of Transportation Engineers
NCHRP	National Cooperative Highway Research Program
NCTRP	National Cooperative Transit Research and Development Program
NHTSA	National Highway Traffic Safety Administration
NTSB	National Transportation Safety Board
SAE	Society of Automotive Engineers
TCRP	Transit Cooperative Research Program
TRB	Transportation Research Board
TSA	Transportation Security Administration
U.S.DOT	United States Department of Transportation